THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

August 6, 1949

THREAT TO PEACE

AN EDITORIAL

North Atlantic Military Pact

Henry Wallace

The Australian Coal Strike

Alun Falconer

Shanghai's Raw Cotton Supply

ECONOMIC PROBLEMS

AN EDITORIAL

VOLUME 114 JMP700 NUMBER 9-10

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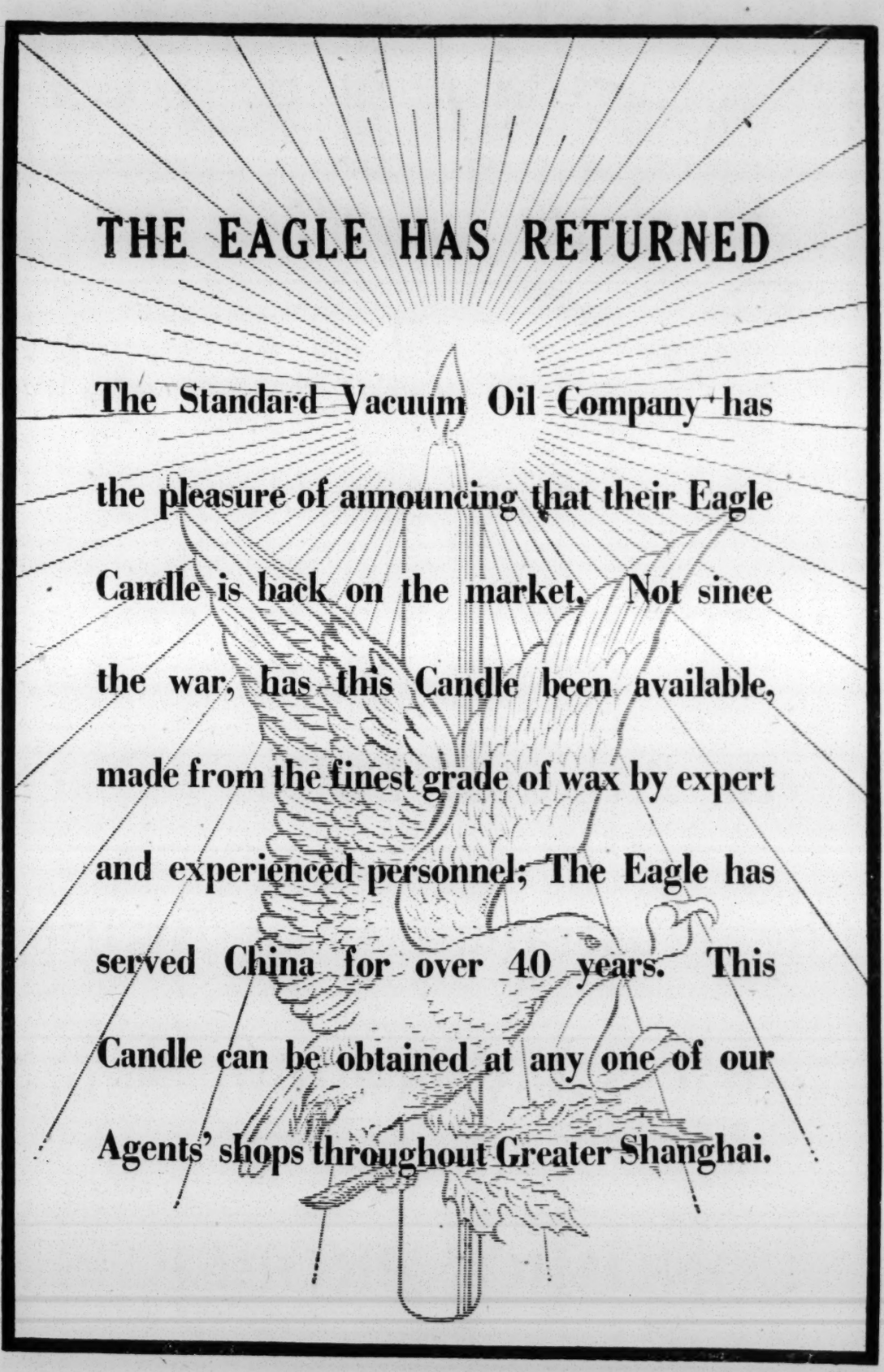
THE EAGLE HAS RETURNED



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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

Evening Post Dispute

To The Editor:

The following is an open letter to Mr. Fred T. Douglas:

In *The China Weekly Review* I have read your statement on the labor-management dispute at the *Shanghai Evening Post and Mercury* as well as the statements by Mr. Randall Gould and the union of workers and staff.

While I regret that the unpleasant issue is still unsettled and resent the flimsy smear and distorted reporting of fact by a "responsible" editor who advocates "freedom of the press," "the freedom of management to manage without the introduction of new theories of interference by workers and/or officials," and "the freedom of ownership to shut down, within ordinary limitations imposed by law in places where there is law," I am glad to see in you a sensible man and a soul true to your conscience.

During the perusal of your statement, I have been in the same mood as I was in when reading the charges Miss Agnes Smedley made against General MacArthur's report on the Sorge Spy Ring. In your utterance I could see justice and a sound foundation for cooperation between foreigners and Chinese under the People's government in this city. Of course you are not the object of attack as Miss Smedley was, but you have spoken what is right and made plain your stand in this controversy.

I dare say you were not intimidated into writing that statement as it has been rumored Olive was, were you? As a mediator, you might have been more clever if you had merely stated how the negotiations were going without expressing your own views on the situation. But you did not choose to do so, regardless of what your boss might think, at the risk of sacrificing the interests of all parties concerned and going against what you consider to be the truth.

Now let me tell you what I think of Mr. Randall Gould in the present dispute.

A boss is a boss no matter whether he is a Chinese or a foreigner, and his interests are at variance with those of his subordinates or workers when they demand wage increases to meet their minimum living requirements. He is pleased with the government or local authorities *only* when they help maintain his power or authority and his exploitation of the physical or mental labor of others. Now, under the changed conditions in Shanghai, there are no more "General" Tang En-po's or "Police Commissioner" Mao Sen's or other KMT officials who are willing to do whatever the foreign diplomats, businessmen, editors and correspondents please, and this may be the reason why Mr. Randall Gould began to frown and could not control his ill temper.

Maybe in Mr. Randall Gould's mind freedom of the press and freedom of exploitation are synonymous. As long as he is "responsible" for what he writes in defense of imperialism, colonialism, Bilboism and "ex-extraterritorialism" (which means that everything can be done without the least regard for Chi-

THE CHINA WEEKLY REVIEW

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REVIEW'S

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nese law, since Shanghai has been a place where no law governed foreigners), he must be as free as a fish and not be interfered with. He thinks he was free under the iron-clad censorship of the KMT regime before its evacuation from here, and that he has not been free since the liberation of Shanghai because of the existence of some "doctrine" that goes against him as well as his home government. He may have forgotten that he is living and working on Chinese soil and must now respect the independence and sovereignty of the country.

We Chinese love and respect all foreigners who love and respect us, but we don't think it's up to us to honor those foreigners who misunderstand us and misrepresent our position and views during the present national revival and reconstruction. If there is any business to be done, let it be done on the basis of equality and reciprocity. As this leaves little hope of working so well for the lop-sided interests of the American community and the new American embassy as could be done in the pre-liberation days, Mr. Randall Gould may have considered the dispute as a good pretext for closing down the paper.

When he said he would like to see what the workers would do after the paper closed down, he apparently wanted to bring pressure on them by warning them of the danger of unemployment, since the financial difficulties of the new Shanghai will not be easy to overcome in the immediate future. However, he has overlooked the fact that we Chinese have learned enough lessons from the oppression of Chiang Kai-shek to enable us to know what hunger or unemployment is when compared with national humiliation. Before the Sino-Japanese war many Chinese in Shanghai worked in Japanese firms and organizations at fair pay, but they were able to find employment and get along after the Japanese left, weren't they?

From his expressed intention of going back to America to lead a more comfortable life, we can easily see that Mr. Randall Gould cares not only for freedom of the press and management, but also for a more comfortable life. I wonder if it was his expectation that life in China might be more comfortable than in the States that made him come over here in the first place.

Comfortable life or not, we do not envy him. Those who are born Americans are entitled to American wealth and power. But let us struggle and strive for our own cause of internationalism and bolshevik humanism, though we may be impoverished and misunderstood for the time being. The aid and assistance we want will be sure to come from the friendly people or people's government of any country that takes the same road as we do to peace and security and a bright future for the whole of mankind. We don't want the kind of aid from capitalist and imperialist donors that will only prolong the enslavement and exploitation of human beings and give rise to all sorts of national and international wars.

So far as the fact that our People's government has not announced a new wage formula is concerned, we back up the wisdom, discretion and reasonable tolerance of the administration. Since financial conditions in this city differ from store to store and from factory to factory, the best and only possible way is to let the issue be settled by management and labor in private enterprises so long as *both* parties are considerate and conscious of their interdependence in the present stage of "mutual interest in the enhancement of production." Though it is not so naive and absurd as to instigate or encourage workers to oppose

their employers to the detriment of the latter's interests, our government would never take the side of the capitalists in any reasonable exploitation of the workers. Thus, the leniency of the Chinese Communist Party does not mean that it will tread in the steps of the KMT by selling the country and its people to foreign imperialism and native feudalism.

One word more for authority. Authority can never be established or re-established if a leader does not win the confidence and respect of his workers and staff, or more generally, the masses of people. The Roosevelt administration and Stalin's rule are both examples to the point. The successful leadership of Chiang Kai-shek during the Sino-Japanese War and his eventual defeat, frustration and downfall should be a good, shining mirror for any dictator or person with dictatorial inclinations. Your advice to Mr. Randall Gould "to step down without attempting to pull the entire edifice down with him" is indeed a word in season, but I wonder if he will accept the truth and listen to you.

I hope that you will forever be a warrior on the side of the workers of the *Shanghai Evening Post* and a friend of our new China.

CHANG PEI-LIN.

Shanghai
July 26, 1949

Shocked

To The Editor:

As a faithful reader of the *Shanghai Evening Post*, I much appreciated the original intention of Mr. Gould "to stick it out" and to try his best in working for peace and a better understanding between America and the new Chinese democracy. Therefore, when I read in your July 23rd issue the statements about the wage dispute between the editor and the workers of the SEP it was a shock to me to see how little self-restraint and practical wisdom Mr. Gould showed in handling this case. It is really a pity that he lost his nerves and was a failure in his first small conflict.

There is no doubt that Mr. Gould, in realizing this, became conscious that he had overtaxed himself in supposing that he had the qualities to work under the new conditions. So he tried to aggravate the conflict, giving it a political turn, so as to get out of China as a persecuted defender of "press freedom, democracy, etc." against Communism dictatorship.

Doing this, Mr. Gould put his personal interests over those of the American people. However, he calculates, in the camp of the Bullitts, the Judds, etc., he will be welcomed when he returns to the States. That he was all the time a vociferous critic of all these gentlemen because they were and are out for unconditional aid to Mr. Chiang Kai-shek, even at the price of a new World War, all this is forgotten.

It is only to be hoped that there will be other Americans with more foresight and more sense of responsibility for the common interest who will step in his place and carry on the fight.

A FRIEND.

Shanghai
August 1, 1949

Peiping Conferences

To The Editor:

According to reports from Peiping, that city is to be host to three important conferences this autumn—The World Federation of Trade Unions, The All Asia Women's Conference and an important Youth Conference. Many of China's most competent educators, trade unionists, youth, cultural and women's leaders will participate in these conferences.

China is happy to have the opportunity to be host to these important groups working for peace and a better economic life for their peoples. All of Asia will be looking forward to news of the discussions and findings in these three conferences. I hope that the *Review* will cover these conferences and give its readers the benefit of detailed reports on these three very important meetings.

L.S.K.

Shanghai
July 20, 1949

Liberation Drama

To The Editor:

All readers, Chinese and foreign, who would like to see what actual village conditions in the interior were like before the People's Liberation Army made its advance should see "Pai Mao Nü," (白毛女) now being shown in Shanghai at the Liberation theatre. This is an evening well-spent and even foreigners who do not understand a great deal of the language will have no difficulty in following the tragedy of these victims of ruthless feudal oppression.

The play itself is a most attractive combination of opera and drama, a style developed some time ago by cultural groups in the liberated area. A special word of mention should be made for the sets which are excellent. Here's hoping

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A. KENDAL WARD,
Secretary & Treasurer.

that there will be more such educational dramas presented in Shanghai.

C.K.M.

Shanghai
July 20, 1949

Rumors

To The Editor:

Standing on a street corner after the typhoon, I was surprised at the question put to me by a portly, well dressed Chinese, "Well, who is to blame for all this?" meaning, I thought, why was there no bus (for which we had been waiting).

My answer, "Of course, the typhoon," did not seem to answer what the man had in mind, and I hastened to add, "Well, the blockade, the war in general since 1936 and Chiang Kai-shek in parcicular."

His next words, "You are very careful in what you say," indicated to me immediately what was his attitude, and not wishing to converse with him I moved on. Such elements in Shanghai are spreading rumors and propaganda against the liberation among all classes, and in fact they are doing everything in their power to harm the present regime. From some quarters, even among otherwise educated people, emanate the rumor that "God has evicted his wrath in the form of floods, typhoons and other calamities on the people for taking up with communism." While this latter form of propaganda will not be seriously considered by the mass of city people, it will nevertheless carry more weight among superstitious country folk. Among them it may even go so far as to partly accomplish its purpose of causing unrest.

This is very unfortunate, because on top of the natural calamities there may be still other troubles, and it behooves the government to take measures of precaution to stop such propaganda and unrest. This, of course, must be done, but we should all be aware that, even though such measures will be for the good of the country, there will be nevertheless plenty of people ready to say and write, "I told you so, there can be no freedom of speech among the communists."

R. D. MERRICK.

Shanghai
July 27, 1949

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THE CHINA WEEKLY REVIEW
密勒氏評論報
A Weekly Newspaper Established in 1917

The editorial pages present each week the opinions of the editor. The other pages of The China Weekly Review are written by the other members of the staff and the contributing editors who report and interpret the news irrespective of the views expressed in the editorials.

Vol. 114 Shanghai, Saturday, August 6, 1949 No. 9-10

To Our Readers

THIS issue of the *Review* is a combined one, containing material originally intended for publication on Saturday, July 30, as well as material scheduled for the Saturday, August 6 issue. The temporary severance of power supplies, as well as extensive water damage at our printers, all of which was a direct result of the recent typhoon, delayed publication and resulted in our getting off our regular publication schedule.

It is hoped that by next week we shall be back in our normal routine. However, there are problems and difficulties besides typhoons with which we must contend these days. Like most other business organizations in Shanghai, the *Review* is finding itself in increasingly difficult financial straits. Unlike some of the larger American-owned firms in Shanghai, the *Review* does not have extensive reserves of capital to help it weather lean times, nor does it have branches in other parts of the world which may show a compensating profit when losses are incurred in China.

For the past several months the *Review's* two sources of income—the sale of copies and the revenue from advertising—have declined steadily. As the Peoples Liberation Army advanced, the area in which the *Review* could circulate became progressively smaller. This situation, however, changed once Shanghai was captured and this city became part of the rapidly-growing liberated area. Already the *Review's* circulation is again growing. However, the dislocation caused by the war makes this a slow affair and the *Review* is still far from its previous peak of some 10,000 subscribers.

The loss of income occasioned by the virtual disappearance of advertising in the *Review* has been a particularly heavy blow. From a former figure of approximately 15 pages of advertising per issue, the space has now shrunk to a bare two or three pages per week. It is, of course, understandable that with the blockade and the other difficulties besetting the local business community, many firms should be loathe to spend money advertising products or services which they no longer have to sell.

However, the *Review's* loss of advertising pre-dates the blockade. In fact, it pre-dates the liberation. For the past two years advertising has been slowly declining. Suffice to say, the absence of the names of an increasing number of well-known local firms from the *Review's* pages during the past year or two has been a matter of politics more than economics. This, of course, is not to say that all of the firms which have dropped their advertising in this publication are in practice opposed to a free press, or to a press which they feel does not support their political or economic ideology However, that is certainly true of some former advertisers.

The sum total of this situation is that the *Review* finds it increasingly difficult to continue publication. The editor believes that the *Review*, which has been in existence for slightly more than 30 years, can still make a worthwhile contribution. We realize that in the past it was much more important for the *Review* to continue publication than it is now. It was largely for this reason that publication was continued at a financial loss for some six or seven months prior to the liberation of Shanghai. In those days of brutal suppression by the KMT, the *Review* frequently was almost the only medium through which uncensored news could be disseminated throughout the country. This was an unequal privilege which we, as nationals of a foreign country giving aid to the KMT, enjoyed over our Chinese contemporaries. Now that the KMT has gone and the major portion of the country liberated, the need for the *Review* is obviously much less great.

Since the editor is not an impartial or uninterested party when it comes to deciding upon the value of continued publication, we have sounded out several Chinese and foreign friends on this question. Generally the response has been to the effect that they believed that the *Review* could continue to perform a useful function in interpreting the West to its Chinese readers and in interpreting China to its Western readers. This, of course, is exactly what we would like to continue doing for a good many years. We are taking this opportunity of sounding out our subscribers and other readers to see how they feel about the *Review*. It has been suggested by some of our interested readers and acquaintances that our readers might be willing to help keep the *Review* going during this difficult interim period by introducing their friends to the *Review*, by renewing old subscriptions or ones due to expire shortly, or by making various useful and constructive suggestions to the editors. Certainly, any expressions of support will be welcomed as will suggestions from interested readers.

One of the main reasons why we have gone into our current difficulties at such length is that since it is altogether possible that the *Review* may in the not-to-distant future be forced to close, or at least to suspend publication temporarily, we wanted to put the record straight. Our troubles, while possibly a bit complex, are economic in character. In these days of rumor and gossip, we know full well what the reaction in certain quarters would be to any publishing difficulties which we may or may not have. Already one American publication in Shanghai has closed upon what—in our opinion—was a false issue, thus providing the KMT remnants and their friends abroad with grist for their propaganda mills. Our sickness—as was that of the *Evening Post* in the last analysis—is economic. Politically, we're not the least bit indisposed.

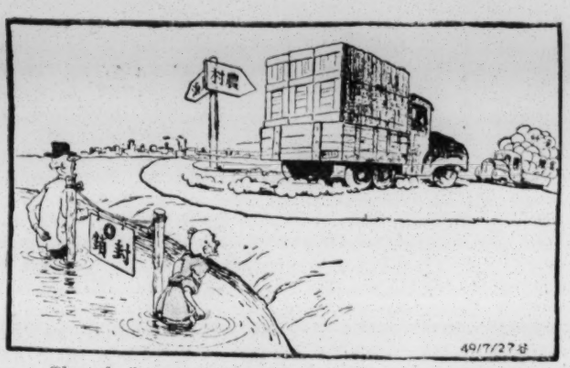
Economic Difficulties

DURING the past two or three weeks the problems besetting the city seem to have increased greatly. Many of the factors contributing to the economic uncertainties were foreseen, but to them have been added such things as a KMT blockade of the port, a most serious flood in the Yangtze Valley, and, last, the inundation of the city in the worst typhoon tide in 30 years.

While the pessimism prevailing in many circles is certainly not justified, it is obvious that the situation calls for serious examination by all who constitute a part of the life of this city.

It has now become clear that Shanghai cannot regain its previous level of prosperity for many, many years, perhaps decades. The prosperity of the past was, on the whole, a pretty false thing. The city grew far larger than was economically justifiable. The old economy, in which the luxury trades and services played a prominent part, was based upon Shanghai's being a city of refuge for capital from all over China. According to one recent estimate, only about 3,000,000 of the city's approximately 6,000,000 residents were engaged in productive work. The remaining 3,000,000 lived off the production or the accumulated wealth of others.

Since it is the policy of the new authorities to promote essential production and at the same time to reduce needless or wasteful consumption, it is obvious that big changes are in store for the city. When one adds to this the disruptive effects of the blockade and



Shanghai's answer to the blockade is the promotion of trade with the interior of China, according to this cartoon from the Giefang Rhbao.

the serious flood in the countryside, it becomes clear that drastic adjustments must be made.

One adjustment, which has already been revealed, is that the authorities plan to reduce the city's population. Efforts are being made to get the more lately-arrived refugees to return to their homes so as to engage in productive work there. The gradual elimination of the luxury services will force others to seek their living elsewhere or to attempt to shift into a more needed type of work. It is quite possible that Shanghai will experience a growing depression until the readjustment is made.

It is at this point, however, that we all begin to feel the pinch. As things stand today, many types of businesses are facing closure. In fact, some already have closed. In view of the policy of reduction of population and general retrenchment, this is inevitable. When, for example, the Central Bank, the Bank of China, the Municipal Government, and other large organs begin wholesale dismissals of surplus employees, the depressive effect is felt throughout the city. Restaurants, provision stores, clothiers, and all other types of business establishments which cater to the people's needs, both necessary and luxury, notice an immediate drop in business. As a shoe shop finds its business reduced, the outfits which supply it with raw materials also feel the decline. It thus seems that there is little prospect of bridging the adjustment period without considerable hardship.

If this "hardship" were confined only to merchants and service industries, it would not be so bad. However, once the deceleration begins, it also hits many basic industries. While China does not produce enough cotton cloth and yarn for her needs, there is already developing a situation whereby there is an unsaleable surplus. When the adjustment is completed, there certainly will be no surplus of such a vital type of goods, but just now there is. The poor business condition of the cotton industry is felt in other basic lines, such as, for example, the machine shop industry which supplies repairs and spare parts for the cotton mills.

We may presume that the authorities are well aware of these current difficulties. In fact, they probably anticipated them far sooner than did the rest of us. We may thus assume that they feel able to halt this downward spiral at the proper time. We may also presume that they feel that the costs entailed by this policy will be offset by the long range gains. Personally, we think the future of the city itself and its future ability to work in profitable harmony with the countryside will be enhanced by the present "pruning" process.

It will be tough on most of Shanghai's residents, but there is no help for it. Many of those affected will, we imagine, refuse to understand the basic reasons for today's problems and will attribute it to poor management on the part of the new authorities. Many of the suggestions which we have heard advanced as possible remedies actually are only suggested methods for returning to the old situation. Into this category fall such suggestions as making an arrangement with the Americans and or British to break the KMT blockade, making concessions to the US for aid such as the KMT received in the past, etc. Obviously, anyone could run Shanghai if they received an outside subsidy. However, that is no permanent solution. The only way this city can be made to stand on its own feet is to integrate it properly with the surrounding countryside. It is, of course, regrettable that a lot of working days and a lot of capital will be lost in making the necessary adjustment, but that is far better than to run along in a continuous deficit position until some future date when the adjustment, which cannot be postponed indefinitely, might well be much more difficult to accomplish.

Threat To Peace

IN methodical fashion the United States Senate last week ratified the Atlantic Pact, authorized a new Marshal Plan appropriation, and turned its attention to the billion dollar military aid program that the Truman administration says must accompany the Pact to make it effective.

The Pact was ratified by an overwhelming vote—82 to 13. The main opposition came from Republican Senator Taft, who tried to divorce the Pact from the arms program, warning that "with these arms the whole tendency of this program is toward a third world war instead of away from it." Since the Atlantic Pact is nothing more or less than a military alliance, it is hard to understand Taft's hope that it would not involve additional military spending.

While the Pact has been described by official spokesmen as an instrument of peace aimed at no one except future aggressors and designed to strengthen the United Nations, non-official utterances have been far more frank. The baldest one we have yet seen was contained in an *Associated Press* story which managed, in a few words, to convey the idea that the Pact was a military alliance aimed at Russia and designed to circumvent the United Nations because the latter is a failure. This story is worth quoting. It says the Pact "pledges America to help the nations of Western Europe which have signed the Pact, if they are attacked. Since Russia is the only nation on the continent big enough to do the attacking, the Pact is aimed at Russia. So it's an outright military alliance, the first America has ever entered with other nations in peacetime. (America's joining the United Nations was a kind of military alliance but it hedged around with 'ifs.' Besides, the UN has not worked so far)."

Disregarding the mentality of those who look upon America's participation in the UN as "a kind of military alliance," it becomes easy to see that the conclusion of the Atlantic Pact is an inevitable step in the development of America's present foreign policy which has, since the promulgation of the Truman doctrine, steadily bypassed the United Nations in its prosecution of the cold war. As we have pointed out before in these columns, the Marshall Plan, which superseded and embraced the Truman doctrine, is the economic instrument of the cold war. The Atlantic Pact now becomes its military counterpart. The Marshall Plan spelled the end of attempts to reconstruct the war-torn countries

OUR THANKS

This combined issue of the *Review*, as pointed out in an accompanying editorial, has been produced under considerable difficulties resulting from the typhoon. Added to this has been the problem of printing since it was finally decided to close the printing department of the Mercury Press as of July 30, following the reaching of an agreement between the *Evening Post* workers and the organization's management. As about half of two different issues were partially completed at this date, publication seemed most uncertain. However, through the great efforts of the *Post* workers who, in addition to speedy rehabilitation efforts on the water-logged presses, worked for two days past the date upon which their pay was stopped, this two-in-one issue was finally completed. The *Post* workers have set up, printed, and bound every copy of the *Review* since our resumption of publication following VJ Day. It is with sincere regret that we now move to new printers.—Editor.

through the United Nations Relief and Rehabilitation Administration. The Atlantic Pact now means that America will seek to keep the world on a war footing rather than work for peace through the machinery of the United Nations.

Progressive forces in America have long seen the dangers of such a policy, but other groups have been slower to act. Now, however, the Atlantic Pact has made the threat to peace so obvious that humanitarian groups such as the American Friends Service Committee and various religious bodies have seriously urged a reversal of American policy. A recent statement issued by 22 noted Protestant ministers and theologians urged the churches to stop "supinely underwriting national policy" and warned: "The adoption of the Atlantic Pact means continued stockpiling of atomic and biological weapons, continuance of peacetime conscription, increase in the already colossal arms budget, building a world-wide spy network, maintenance of military bases around the world, no relaxation in military influence of education, science, industry and commerce, to say nothing of the periodic waves of national hysteria without which none of these measures could be maintained."

* * *

WE have pointed out before the inconsistencies inherent in trying, on the one hand, to get the countries of Western Europe on a sound economic footing, and on the other of waging a cold war. This has resulted in pumping millions of dollars into Western Europe while at the same time discouraging the East-West trade which Europe needs for its economic health. Moreover, since the Marshall Plan admittedly is also a boon to American business, there has been the difficulty of trying to reconcile the often conflicting interests of American and European business interests.

As the reports of growing unemployment and financial dislocation in Western Europe testify, the economy of Marshall Plan countries is on the downgrade, not the reverse, When to this is added the rearmament called for under the Atlantic Pact, this trend can only be accelerated. It is doubtful if these countries will welcome the additional military burden, even if some of it comes in the form of military aid from the US. Even in Turkey, where nearly half the national budget goes for military expenditures, government circles frankly state that "additional American economic aid is more urgently needed than additional military assistance," according to a *Reuter* dispatch a few days ago.

This whole matter was put before the Senate most succinctly by Henry Wallace, who pointed out that none of the Western European nations is "free of growing unemployment and the threat of financial bankruptcy" and declared: "It is now proposed by the Truman administration to impose on these tottering economies the enormous burden of additional arms which the Pact requires. It is now proposed to divert the energies and the capital and the resources of these nations to further military preparedness when all resources are needed to prevent economic disaster."

In America, the Marshall Plan years have also witnessed an increase in unemployment and a general slowdown of the nation's industrial machinery. But instead of increasing trade with Eastern Europe and China and shifting to a peacetime program that would expand its own domestic market, the United States is attempting to meet the situation through increased military spending.

It is perfectly clear that the Atlantic Pact and its arms program is the only answer many short-sighted Americans can, or want to see to their own current difficulties. The magazine *Business Week* put the issue quite candidly not long ago when it analyzed the difference between what it called "welfare pump-priming and military pump-priming."

"Military spending," it explained, "doesn't really alter the structure of the economy. It goes through regular channels. As far as a businessman is concerned, a munitions order from the government is much like an order from a private customer. But....welfare and public works spending....does alter the economy. It creates new institutions. It redistributes income. It shifts demand from one industry to another. It changes the whole economic pattern."

It is that change of economic pattern that the framers of America's current policy want to avoid. And rather than adjust the country's economy, they are travelling along a rearmament path which, if pursued to its logical end, can only lead to war.

25 Years Ago in *The China Weekly Review*

August 2, 1924

Shameen Strike

Chinese employees in Shameen, the foreign concession in Canton, numbering about 2000 men and 300 women, went on strike July 16 as a protest against the recently published traffic and police regulations there. The British and the French Municipal Councils in Shameen in their regulations require Chinese desiring to enter or leave Shameen after fixed hours to take out passes to which a photograph of the holder must be attached and also specify certain roads on which Chinese may walk, including other rules. Shameen has been a quiet place since the 16th, and ladies there who used to have "amahs" and "boys" to do this and that, now do their own household work, while the men are enjoying some enforced holidays as all the clerical and other assistants in the hongs are out, making ordinary business impossible. The Chinese demanded the cancellation of the regulations without restrictions during business hours. The Chinese authorities in the city complied with the request of the British Consulate-General for mediation, and events up to July 18 made it appear that it would not be long till the strike is over. During the strike the foreign residents in Shameen organized committees to undertake the work which was formerly left to others, and there was no undue hardship given to anybody. Marines from the several foreign gunboats who happened to be in Canton Harbor also rendered assistance, while the Japanese community in the concession performed most of the hard work to the gratitude of every one. At the same time, many Chinese labor organizations in Canton did the best they could for the strikers, one-third of whom really could not afford to be idle long.

* * * *

Flood Troubles

The local rice and grain merchants are suffering greatly from the results of the Hunan and Kiangsi floods. The crops being completely destroyed, the farmers in those provinces are unable to ship merchants the ordered grain and rice for which they have already made payment. It is learned that many rice shops in the native city have already closed their doors. This brings the money market to further stringency.

10 Years Ago In *The China Weekly Review*

August 5, 1939

Guerrilla Activity

A party of 400 Chinese guerrillas succeeded on the morning of July 29 in blowing up part of the track between Changchow and Wusih on the Shanghai-Nanking Railway, some 140 kilometers from Shanghai, with the result that a mixed freight and passenger train came to grief a short while later. The locomotive was derailed and eight freight cars damaged, according to a Japanese military spokesman, but no one was seriously injured. Asked whether the railway was not guarded, the spokesman said that it was, although the track was not always being watched and some bridges were not under constant guard.....

* * *

Currency Fluctuations

Rumors that Soviet Russia was about to loan China a large sum of money—a sum equivalent to 750,000,000 roubles being mentioned in some reports—led last week-end to a slight and short-lived recovery of the Chinese dollar on the exchange market.....Another factor believed to have influenced the rise was the stiffer attitude of Britain in the Tokyo negotiations and reported British reluctance to accept Japanese demands for a prohibition of the circulation of Chinese national currency in the British Concession in Tientsin and for the turning over of Chinese silver reserves stored there.

NORTH ATLANTIC MILITARY PACT

Henry Wallace

A FARMER friend of mine said the other day—"What is this North Atlantic Military Pact? I hear over the radio that you are against it. Why?"

I said this Pact really means that we are going to send billions of dollars of tanks, planes, and guns to arm Western Europe.

My farmer friend—a veteran of the last war—promptly replied: "How long will it be before we have to send men?"

Ideologies mean nothing to him. Russia means nothing. But getting into war again means everything. He was worried.

Americans are rightly worried.

They sense that the Pact, as one writer has put it, is "superseding a one-world organization with a military alliance looking toward the possibility of war in a world split in two."

* * *

THE first victim of the Pact is the United Nations—the one hope for peace.

When Secretary of State Acheson claimed the Pact "is an essential instrument for strengthening the United Nations," the *New York Post* called this the "most absurd of all claims." For the clear intention of the Pact is to replace the United Nations with a military alliance. The Pact sets up an Atlantic Council and a military staff committee in Europe with more power than the UN's Security Council. The Atlantic Pact substitutes the "Divided Nations" for the United Nations.

The military men and the diplomats who put over the Pact try to justify it as a regional arrangement under the United Nations Charter. What kind of "region" is it that covers everything from the Aleutian Islands in the North Pacific to Africa? Can this hard dividing of the world into two armed camps bring peace?

Stripped of legal verbiage, the North Atlantic Military Pact gives the United States Army military bases up to the very borders of the Soviet Union.

Recently a national conference—held by the Federal Council of Churches of Christ in America—said about the North Atlantic Pact, "No defensive alliance should be entered into which might validly appear as aggressive to Russia, as a Russian alliance with Latin America would undoubtedly appear to us."

In the last 25 years Russia has been attacked by foreign armies five separate times.

Does anyone imagine that, as they stare across their borders at our jet bombers and our cannon, calm visions of peace will be born in their minds?

If we apply Christian principles and try for a moment to put ourselves in their place, the true meaning of the Atlantic Pact will be clear to us. Supposing the Soviets had military bases on the Mexican border? The Canadian border? On Cuba? Could the treaty which put guns in our faces be called a Pact of Peace?

Has it ever happened in the world that the massing of armed men brought peace? Has it not always brought war? To call the Atlantic Pact a peaceful thing is hypocrisy and nothing less.

But there are many people of honest heart who say we must run the terrible risk of war which the Atlantic Pact involves because of Russian aggression.

* * *

IS there really such a threat?

Even Mr. John Foster Dulles, leading Republican spokesman on foreign policy recently said: "I do not know any responsible high official, military or civilian, in this government or any government, who believes that the Soviet state now plans conquest by open military aggression."

If Mr. Dulles is right, and I think he is—if the Soviet Union does not plan military aggression—then to surround them with military bases becomes an act of aggression on our part.

The road to peace is not lined with military bases.

The road to bankruptcy is.

For 150 years our reverence for the wisdom of George Washington has barred this country from entering into entangling European alliances.

Now the Atlantic Pact plunges us into the maelstrom of European politics. It forces us into a European alliance against a European power. It moves the heart of America right up to the muzzle of the first gun fired in Europe. And it commits us, without the right of deciding for ourselves, to another European war.

No honeyed words from the State Department can cover up these facts.

The new Pact forces all Europe to rearm.

That continent, only half recovered from the most terrible war in history, is now to fling away its final hope.

We impose on Europe again its ancient curse—the massive standing army.

A re-armed Europe can never be self-supporting.

The Pact will impoverish Europe.

And it will impoverish the United States.

* * *

TODAY, we are already spending more than half of our national budget on arms and the cold war. And already the storm clouds of economic crises are beginning to gather. Farm prices have fallen a third, business failures are increasing and millions of Americans are unemployed.

But this is only the beginning. A few weeks ago the five western European nations said they need American arms and equipment for 36 to 70 divisions. They have only seven. It costs from two to four hundred millions of dollars to arm and equip a modern division. So Uncle Sam's bill for rearming Europe will eventually add up to tens of billions of dollars.

I challenge the Administration, in all frankness, to reveal this crushing cost to the American people before the Pact is sent to the Senate for ratification. I ask them to square this cost with the warning given by President Truman in January that more arms spending threatens a runaway inflation and economic chaos.

These billions, added to our present 21 billion dollar cold war program, mean that we will not build houses in America, or schools, or hospitals. Former Secretary of Defense Forrestal said last December that the American people will not only have to give up domestic reforms but will have to tighten their belts and lower their standard (of living) in order to rearm the world.

Congress has already given us a foretaste of this. In the same week that it voted for more planes, it decided on less low-cost housing, watered down rent control, and, by a coalition of both parties, denied the Negro people the elementary protection of civil rights legislation through a shocking and disgraceful filibuster.

THIS is the abridged text of a radio address by Mr. Wallace urging Americans to oppose ratification of the Atlantic Pact. Although the United States Senate ratified the Pact last week by an overwhelming vote, the progressive forces in America, led by Mr. Wallace, are still leading the fight against the policy it represents.—Editor.

The same Congress which has already voted vast sums for armaments has failed to repeal the Taft-Hartley Act or provide relief for the growing numbers of unemployed. And all this we do and fail to do in the name of surrounding with armies a nation which no responsible statesman claims either can or —will—launch a military attack beyond its borders.

True national security depends more upon economic stability and political strength than upon military power, said the Hoover Commission. The wasteful arms spending under the Pact will destroy that stability and dissipate that strength.

A month ago our Progressive Party published a Budget for Abundance, a budget to build real national security by cutting arms spending and making peace. The billions the Administration proposes to pour into arming Western Europe can be put to work here at home to build an abundant America. We can build two million homes a year at low cost. We can insure every man, woman and child against unemployment, sickness and old age. We can guarantee a decent return to the American farmer, improve his land, and harness the great river valleys to prevent floods and yield cheap power. We can raise minimum wages and provide schools and hospitals for all the people of America.

We can do all these things for Americans only if we stop spending our substance on a futile and irrational attempt to police the world. We can do them only if we return to the democratic faith in the right of people everywhere to determine for themselves their own way of life and the form of their own political and economic systems.

* * *

THERE is one particular result of this new Pact which has received little notice in the press.

It is this: if it now becomes American policy to rearm Europe—are we going to rearm Germany too?

It was German militarism and German aggression against which we were forced to fight two wars in a single generation.

Our military men have already decided to place arms in the hands of the Germans, the very same Germans, unchanged and unrepentant, against whom we fought.

Under the Atlantic Pact the Nazis will have uniforms again.

As the military expert of the *New York Times* writes—"Many of our military observers advocate a plan frankly based on the eventual utilization of Spanish and German manpower."

Spain, too, of course.

Because it was Franco who, in November of 1944, first proposed in a letter to Churchill the Western Alliance against Russia. Yes, Franco's Spain—the creature of Hitler and Mussolini—is in our camp because she hates Russia just as she hates Protestantism.

Does anyone imagine that the Japanese, with their Emperor intact, his admirals and generals at his side, will not be next on the list of American allies?

But this is "practical politics," is it not? I would like to be present when its fine points are explained to the ghosts of our dead on the islands of the Pacific and the shores of the Rhine.

I say to you that it is not practical politics, it is impractical and immoral politics—it is politics that can lead only to disaster.

The proof of this is plain in China and Greece.

What we did in China is exactly what the Atlantic Pact would have us do in Europe. But our American luck was with us in China. For there was no Pact linking us to Chiang Kai-shek. If there had been a treaty like the Atlantic Pact covering the Far East we would now be at war with Russia on the Asiatic mainland.

Is this what we want to happen in Europe? Our policy there is the same. Will the results be different?

Stalin has invited President Truman to sit down to talk out our differences. The State Department and the White House brushed him off. The Atlantic Pact, this war alliance, is their reply.

Forget, for a moment, the effect upon Russia. What does it mean to the men in the street in Paris, in Rome, in London? Does it raise our prestige? Does it make us seem like victims or aggressors?

We are asking the people of Europe to become American mercenaries and to turn their countries into battlefields once again.

We are saying to them, "Set aside your dreams of a better world; take this gun and stand ready.

"Watch your fields grow over with weeds.

"Set your tractor plants to turning out tanks again.

"Come out of school and take up arms.

"We have run out of ideas.

"We know nothing but war as a way to peace.

"You must follow."

We made that speech in China, friends. But the Chinese did not follow. We are making that speech in Greece, and there are now more Greek rebels in the hills than there were when we started to wipe them out.

Perhaps the military and Wall Street men who took over American foreign policy when Roosevelt died do not understand how this failure is possible.

No more than did King George understand how the farmers of New England could withstand his trained regiments in 1775. In the same way, Adolf Hitler swore he would be in Moscow five weeks after launching his attack. All these men were right, from a purely military point of view.

But the military point of view, which is responsible for ideas like the Atlantic Alliance, never understands one thing—one angry peasant, fighting for what he believes, is worth a company of mercenaries who fight only because fighting is forced upon them.

The Atlantic Pact, if ratified by the Senate, will put the people of Western Europe into American uniforms. Amid their cathedrals, we will pitch the tents of armies.

We will crush their hope of recovery under the burden of our arms. What do we offer them in return? Nothing of the spirit. Nothing but anti-communism. That was not very strong meat for the Chinese to feed on, and they turned their faces from it. When the first blow is struck, is it reasonable to think it will be different with the Europeans?

Neither the United States and Britain, nor the United States and Western Europe, can carry on the burden of the world by themselves. Down that path hatred accumulates. We don't have to choose Russian Communism, but neither do we have to embrace the British Empire, Roman Catholicism or Monopoly Capitalism.

* * *

THERE is a fifth choice which is the concept of old-fashioned Americanism moving to bring about a sense of responsibility for the welfare of the whole world. It is not our obligation to save any vested interest.

Our newspapers will run interference for all these vested interests. But neither the vested interests nor the newspapers can bring your children and my children security. I have seen and talked to the common man in Latin America, China, Western Europe, Palestine and Soviet Asia. They all have the same hope of peace and fear of war. They all distrust balance of power politics.

If the Bible says anything of value in international affairs, it says that the path to peace is not the path of arms nor the path of international alliances.

If the Administration, as it professes, sincerely desires peace, let it state its terms. Let the Russians do likewise, as they have clearly and repeatedly told us they are prepared to do. Let the heads of both nations, after preparations at the expert level, sit down to negotiate those terms. Why then should our government so fear the risk of conference and negotiation with the Russians while it incurs the incalculably greater risk of war?

Now is the time for the American people to act. The UN was born at San Francisco in 1945. The supreme question is, "*Shall it die in Washington in 1949?*" Will history record that the fatal step was taken when the Atlantic Pact decision divided the world into two warring camps?

To you I appeal to make your voices heard in Washington before it is too late. Let your Senators know that you want full hearings, consideration and debate on the North Atlantic Pact. Urge them to vote against a step which may destroy the United Nations and commit our beloved country to a course that would finally divide the world into two armed camps and take us down the fatal road to war.

Behind The Australian Coal Strike

Alun Falconer

THE latest reports indicate that the striking Australian coal miners are facing one of the greatest tests in their history as militant trade unionists. All the forces of the state are being used against them, and, in attempting to break the Miners' Federation, the biggest monopoly capitalist groups in Australia are paving the way for an attack on the whole Australian trade union movement. Troops have been sent into the New South Wales coal mines, industrialists are deliberately disrupting the nation's economy, the leaders of several trade unions have been imprisoned, and new, outrageous anti-union regulations have been promulgated. The whole working class of Australia faces a serious threat to the economic gains it has won in the past and a very serious trial of its union solidarity.

The miners' strike is not an isolated dispute. It is the culmination of a struggle that has been increasing in intensity since the end of the war. On the one side in this struggle are aligned the biggest Australian industrial monopolies, the British and American monopoly interests in Australia, the reactionary Liberal and Country Parties, the right-wing of the Australian Labor Party, and the right-wing in the Australian Council of Trade Unions; on the other side stand the mass of trade unionists led by the militant trade unions, and the Australian Communist Party.

Issues Of Dispute

The issues of the dispute are simple. The Australian working class is trying to hold on to hard-won gains and to get wage increases to meet rising living costs. The capitalist class is trying to use the dispute to destroy trade union organization, to prepare for the coming economic crisis at the expense of the workers, and to scatter those forces which are opposed to Australia being used as a base for a Truman "Pacific Aid" plan and which are opposed to Australian participation in a Pacific Pact directed against the Soviet Union and the People's democracy of China. Thus the present coal strike, in all its implications, concerns all Pacific peoples and deserves close study.

One factor that may seem to confuse the issues at stake is that a Labor government is directing the attack on the workers. As it happens, the most reactionary political forces in Australia, the Liberal Party and the Council Party, are using the difficulties of the coal strike to undermine the federal Labor government. Yet the Labor government seems determined to continue in its path of folly, surrendering again and again to pressure from reaction. It seems a characteristic of the Australian Labor Party, a characteristic shared internationally by Social Democrats, that it is so anxious to keep parliamentary power that it will do almost anything to prove that it is a friend of the capitalist class and to prove that its claim to represent the workers does not endanger capitalism. The reactionaries are using this weakness of the Labor Party to unseat it. Yet the Labor Party has refused to heed the warnings even from among its own ranks. In November of last year, the Minister of Housing of the New South Wales State Labor government, Mr. Clive Evatt, warned Australian workers of the moves that the reactionaries were planning. He was speaking at the Central Council meeting of the Federated Clerks Union, and he told the workers that there was a great conspiracy by the press and monopoly interests to smash the trade union movement and the Labor federal and state governments. He said; "Reactionary forces are working around the clock to defeat you."

And so it was. Last year, export meat workers were forced to strike against the big meat trusts because "Conciliation" Commissioner Kelly over-ruled a State Wages Board ruling for wage increases. Previously a certain Mr. Bowater, chief Australian representative of Vesteys, one of the great British-owned world meat monopolies, said when speaking of his company's activities in Australia: "We must fight the unions sooner or later, and as far as we are concerned it may as well be sooner." (Melbourne *Guardian*, Nov. 12, 1948.) Under the cover of Conciliation Commissions and the Arbitration Court, the big monopolies, the meat trusts, the shipping interests, the coal and steel combines, have been preparing to break the unions and prevent wage increases.

Labor's Leg-Iron

In Australia, the capitalist class has made unique use of the Arbitration Court, the national body set up by the state to arbitrate worker-employer disputes and set wages. The employers have used the Court to implement their policy of cutting wages drastically in times of falling prices and of pegging wages in periods of rising prices. In Australia, the unions are bound by law to bring wage disputes before the Arbitration Court, and the Court has been justly termed "labor's leg-iron."

The Arbitration Court is supposed to be an independent tribunal where employers and workers meet on an equal footing. The deciding vote is exercised by a judge nominated by the state. But, again and again, the actions of Arbitration Court judges have proved the contention that the state machinery, its laws and its judiciary, are not independent of class interests. There have been cases where the Arbitration Court has granted small favors to the workers, and there have been cases where employers have scorned the Court's rulings. The role of the Court has not always been clear to the workers. In consequence, the Australian unions have always abided by the "law" and brought disputes to the Court. They have sometimes weakened their bargaining position by delaying action until all the workers could see clearly that the Court was acting as an agent of the employer. In the present coal dispute, the Miners' Federation itself requested the establishment of an arbitration tribunal and delayed action until all hope of settlement seemed lost.

In Australia, the militant trade unions have abided by the law under all conditions except those that would mean a gross betrayal of their membership. The right-wing leadership of the Australian Council of Trade Unions has also accepted the law of the state. But the right-wing have never been concerned about the conditions of acceptance. What have been the conditions in Australia, for the coal miners and for all the workers?

Wages And Prices

The Arbitration Court rulings on wages are based on what the Court considers to be the minimum necessary to keep a worker and his wife and one child alive. The employers and the Court have seen to it that the workers are kept down near the minimum.

The Court allowance for housing rent is a striking example. When the basic wage was first fixed in Australia, after long trade union struggles, house rent represented one sixth of the wage. On this basic, with post-war rents taken into consideration, wages should now be in the region of £12 (US$38.88) a week. But they are still around £7 (US$22.68). The cost of furnishing a five-roomed house rose from £217 in July 1939 to £514 in August 1948, but the Court has made no adequate adjustment in the basic wage to compensate for the large furniture price rise. A pittance of 3d (1½ cents) a week has been added to the basic wage to compensate for rent increases.

The housing shortage and criminally exorbitant rents are perhaps the greatest difficulty that Australian working class families face. But clothing and food prices have also climbed steeply since the war. What has the Court done? Instead of continuing wartime price controls, which at least tended to check increases, the Court has lifted most of them. Off the price list are fresh fruit, green vegetables, fish furniture and many items of clothing. In Queensland the controls are off no less than 40,000 items.

Naturally, the trade unions have had to ask for an increase in the

basic wage. If they did not try to protect the conditions of their membership, they might as well cease to exist as working class organizations. Besides, it is common knowledge that the larger companies have been making greater profits than ever before in Australian history.

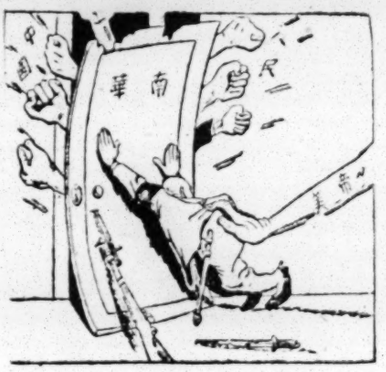
Profits And "Depreciation"

In October, 1948, the Australian federal government's statisticians reported that profits, interest and rent rose from £367 million in 1938-39 to £509 million in 1946-47. This is major evidence in support of the trade unions' claim that Australian industry could easily stand a basic wage increase of 30 shillings a week. Yet, instead of granting wage increases, the capitalists have sought to increase price and profit levels while keeping wages pegged. In September, 1948, the Broken Hill Proprietry Limited, Australia's largest mining trust, applied for and was granted a 12 percent price increase for its iron and steel products, the second rise granted to this company in 18 months. Commenting on the 12 percent increase, president Gresham of the Queensland Chamber of Commerce said: "Prices of everything from railway carriages to kitchen stoves will have to rise . . . The price rises will have to be passed on to consumers." At the same time, Broken Hill Proprietry announced an all-time record profit of £1,904,432 for the year 1948 after providing for taxation and putting aside £2,385,029 for "depreciation."

There are many other examples to be had of record profits and record allowances for "depreciation" among Australian capitalist enterprises. Prime Minister Chifley commented on the wealth of industry when he said in a radio broadcast on July 10 of this year: "World economic conditions have favored Australia for several years. We are in a good position." Last year, Chifley anticipated a budget surplus of £29 millions.

Yet, with every weapon they could command, the capitalists and their political allies have sought to prevent the just and reasonable wage increase of 30 shillings (US$4.86) a week which, as we know, is the main workers' demand in the present miners' strike. In fact, instead of showing a readiness to bargain for wage adjustments, the capitalist class has undertaken what can only be defined as a "general offensive" against the workers.

The offensive has developed through various stages. Early in 1948, at the instigation of monopoly interests, the Queensland state government, under Premier Hanlon, took the lead in a determined attempt to smash the trade union movement in Queensland. The Queensland workers responded with united strike action under the leadership of the Queensland Trade Council, and considerable support was sent from other state trade councils and from unions throught Australia. Many thousands of workers came out solidly on strike. In reply, Premier Hanlon tabled anti-union legislation that matched in viciousness the Taft-Hartley laws of the United States. An attempt was made by the press, the Labor Party, and by right-wing political groups to switch the dispute from basic wage claims to the issue of communism or anti-communism. There is no doubt that the Communist Party in Queensland did support the striking workers. A Communist member of the Queensland Legislation Council, Mr. Fred Patterson, was almost beaten to death by the police when he marched with striking unionists. But red-baiting did not confuse the workers. In spite of jail sentences, heavy fines and police violence, the Queensland unions came out of the dispute with all their wage claims settled and with all their leaders released before the expiry of their prison terms.



This cartoon from the Ta Kung Pao shows the Kuomintang, backed by American imperialism, trying to keep the door of South China closed to the People's Liberation Army.

The offensive in Queensland failed. Out of its failure, the big monopolies and their allies considered that they had learned some lessons. They decided that they need the weapon of even stronger anti-union legislation; they decided that, in order to confuse the workers, the next offensive must be less direct; and they decided that it must be concentrated against a smaller section of the workers.

For almost nine months, the second attack was prepared. It was to be launched by Australian Iron and Steel, a part of the Collins House monopoly group, the huge combine which has very extensive holdings in Broken Hill Proprietry and other large mining companies. AIS was to be the spearhead and the mine-workers were to be the victims.

Whether it was directly aware of the affair or not, the federal Labor government acted as though it were a well-briefed participant to whom had been assigned the role of confusing the workers before and during the event. Prime Minister Chifley began to talk extensively about inter-union demarkation disputes. In addition he repeatedly called on the workers to increase production no matter what hardships they might have to bear and no matter what actions the employers took. At the same time, the government began to draw up new legislation which made provision for the imprisonment of union leaders, the freezing of trade union funds, and the prevention of outside union support for any trade union that came out on strike.

Finally, in October, 1948, in New South Wales, the attack began. Australian Iron and Steel started to employ for tunnelling work, a job which has always been undertaken by miners, some members of the Australian Workers Union, a really bogus union that is not even affiliated to the Australian Council of Trade Unions. Then the right-wing leadership of the ACTU, led by Messrs. Monk and Carey under Labor Party direction, came out in support of the bogus AWU. Australian Iron and Steel's employment of the AWU members was an illegal attack on the miners' rights. Cleverly, the government-directed Joint Coal Board ruled that AIS was in the wrong. AIS refused to bow to the Joint Coal Board ruling. Then, as was hoped, the rank-and-file of the miners concerned in the dispute took strike action. Immediately the government rushed forward its new anti-union legislation and lined up with AIS to rush the Miners' Federation.

Fortunately, the leadership of the Federation realized what was happening in time and was able to show the union rank-and-file that the whole affair was an elaborate provocation. The men were persuaded to return to work and, after some skillful maneuvers, a way was found to settle the dispute in consultation with the rank-and-file of the AWU. Again reaction was defeated.

It is most important to note that when the miners were provoked into striking for a brief period, the very reactionary Victorian state government allied itself with the New South Wales Labor government and began rationing gas, electricity and transport in Victoria, going so far as to curtail electric trains whose power supply was not in the least affected by a possible shortage of NSW coal. Similarly, the Chambers of Commerce and Manufacturers Associations in New South Wales began to shut down industry on the pretext of an imaginary coal shortage. Precisely the same tactic has been adopted by the state governments and by industrialists in the present coal strike. These unscrupulous groups have again undertaken to disrupt Australia's economy in order to inconvenience the general public and turn public feeling against the mine workers.

The Present Struggle

The Miners Federation was justified in avoiding provocation, but it has never sought to avoid pressing the demand for the wage adjustments that are so badly needed by its membership and by all Australian workers. The struggle has gone on. In line with its policy of exploring all peaceful methods of settlement, the Miners Federation called for an Arbitration Tribunal to investigate the miners' claims for a 35-hour week, long service leave, and a 30 shilling a week wage increase. The Miners Federation repeatedly called on the Arbitration Court and the Joint Coal Board for a settlement.

But if the miners have been prepared to use the existing channels

of the law, the capitalist class have not. After two previous major defeats they were apparently determined to succeed this time. On June 22, a week before the present coal strike began, the industrialists of New South Wales, adopting their standard tactic on a grand scale, ordered a virtual shut down of industry. In Sydney and Newcastle, the two largest cities in the state, 200,000 people were thrown out of work. The daily press went into top gear proclaiming a possible reign of Red terror. Sydney became, as the *United Press* reports, "a cold and cheerless city." All this went on while the miners' leaders were still appealing for arbitration and settlement by round-table discussion.

It became obvious that the coal mine owners were opposed to any settlement and that the whole capitalist class was lining up with them to break the miners. It was equally apparent to the workers that the issue would have to be fought out with direct action until the mine owners decided to discuss a settlement. As Mr. Idris Williams, chairman of the Combined Mining Unions, said: "The strike will last as long as the authorities remain adamant and refuse to effect an amicable settlement that will bring industrial stability to the coal mining industry and contribute to the ending of these constant crises."

Meanwhile, industrialists forecast hundreds of thousands more out of work and, soon after the strike began on June 27, 500,000 employees of various enterprises were dismissed. Continuing to seek ways for peaceful arbitration, Idris Williams, for the miners, opened talks on July 1 with A. E. Monk, of the Australian Council of Trade Unions, and through the ACTU with the Labor Party and its government leadership. Labor Prime Minister Chifley stated: "The strike must be settled by arbitration. The government will not interfere." Which was, of course, an obvious contradiction.

True to social-democratic type, the Labor leadership, its right-wing in the ACTU, and its federal government cabinet, joined in the offensive against the workers. Gleefully the Australian press commented: "The fight between the Australian Communists and the nation's ruling Labor Party is moving towards a showdown. (*Associated Press* report.) The federal cabinet (Labor), and the cabinets of New South Wales (Labor) and of Victoria (Tory) went into secret session. Chifley said on July 3rd to a Labor meeting at Katoomba that it would be "boots and all" (an all-out fight) against the Miners Federation. Broadcasting to the nation on the same day he said: "The whole economic life of Australia is approaching complete disruption."

The Labor Party printed half a million leaflets to "expose the role of the Communist Party in instigating the strike," and Labor Party officials met to plan steps in the party's campaign to persuade the miners to return to work. At a workers rally in Newcastle Park at which the strike was brought up for discussion, 40 police were rushed to the scene and two Communists were beaten unconscious. The Australian police demonstrated again their strange theory that they can help the government to blacken the Communist Party by putting Communists in the hospital.

And the government attempted to apply its theory that the working-class can be divided if it is shown that the Communist Party supports the workers' wage demands. On July 8, the government sent 50 uniformed state police and plainclothes federal "investigators" to raid the Communist Party's building in Sydney. The police seized two truck loads of files and documents.

The government knows that the Communist Party did not "instigate" the coal strike. But it is true that many union leaders in Australia are Communists, and that they carry out Communist policy in the trade unions. That this policy is strictly tempered to the immediate and the long-range interests of the workers is proved by the consistent support given by unionists to their Communist leadership. The miners do not forget that their Communist leaders have stood by them when their welfare has been challenged, and that these leaders have shown considerable wisdom in negotiating the storms of the class struggle.

The main government assault on the miners was the proclamation of the National Emergency Coal Strike Act, an act which gives the government wide powers of arrest and which "freezes" trade union funds. The Amalgamated Engineering Union immediately undertook court proceedings to show that the act was "ultra vires," but the Australian High Court rejected all challenges of the new "law." Then the Chief Arbitration Court judge ordered, under the "law," various unions to pay £56,000 from their union funds into the court registrar. Singling out those militant unions that might possibly come to the assistance of the miners, the judge issued summonses on the Ironworkers' Association and the Waterside Workers' (dockworkers) Federation, as well as on the Miners' Federation itself.

Union Leaders Arrested

As might be expected, none of these unions surrendered their funds to the court. So the government, much to the delight of the press and the mining companies, began to arrest the leaders of these unions. The cases were treated with despatch by the courts. Mr. Leslie McPhillips, Assistant National Secretary of the Ironworkers Association, was sentenced to six months imprisonment for refusing to disclose the whereabouts of £27,000 withdrawn from the union's bank account. Mr. Ken McKeon, Sydney District Secretary, was sentenced on the same charge. The Association was fined £1,000. Six thousand Sydney dockworkers went on strike in protest against the sentences.

On July 6th, Mr. John King, branch secretary of the Miners Federation, was sent to jail for refusing to say what had been done with £4,500 withdrawn from the Federation's bank deposits. Then President Idris Williams and General Secretary George Grant were each sentenced to one year's imprisonment for failure to pay £15,000 of the Federation's money into an Arbitration Court account. Mr. Idris Williams said: "I go to jail willingly when the alternative is to hand to the court money intended to succor our members and their families."

In spite of these outrageous attacks, the miners voted solidly to continue the strike.

According to press reports, the strike is still on, and the miners are sticking to win their basic demands. We should remember that enormous and serious pressure is being brought to bear on the miners, ranging from police violence to the ultimate weapon of starvation. The Emergency "Law" is making it difficult to bring support from other unionists. The Labor Party and the whole national press are using every means possible to obscure the simple wage issues of the strike and so split the workers; and the whole capitalist class, led by very powerful monopolies, has thrown industry into chaos in what is now the depths of the Australian winter.

IN FRONT OF THE IRON CURTAIN

The past week has been a difficult one for the press in several countries.

In South Korea, one of the outposts of democracy where the United States is committed to spending money and material in an effort to halt the spread of communist totalitarianism which, among other things, is viewed as a threat to a free press, six Korean reporters were arrested. Police Chief Lee Ho said that the men were "suspected of being Communists." However, no charges have been filed against them so far. These newspapermen had been covering the United Nations' Commission during its current visit to Korea. Prior to their arrest, the reporters had been warned by a government official to stop asking the government "embarrassing" questions.

In Greece, another bastion of democracy, the Greek general staff banned American and British foreign correspondents from visiting territory comprising about half of the entire country. Later, the ban was modified so that a limited number of foreign reporters could enter the forbidden area. Previous violation of military censorship was the excuse given.

In Austria the government announced that steps were being taken to file charges against *Der Abend*, identified as a Communist organ. The charge is spreading false reports, which were viewed as disrespectful to an ally, Britain. The paper allegedly carried an article charging that Britain was engaging in trade with Eastern Europe despite her agreements with America not to do so.

In Japan, a country slowly being nurtured toward democracy by General MacArthur, a total of 61 persons have been arrested in connection with the publication in the newspaper *Osaka Mimmo*, identified as a Communist organ, of false reports concerning a riot. The arrested are to be indicted on a charge of violating the Emperor's imperial edict forbidding the spreading of rumors.

The Story Of Pasha Angelina-- Heroine Of Socialist Labor

R. D. Merrick

IN these days in China when the emphasis is on production and when all patriotic citizens are looking to see what they can do toward reconstructing their country, I think often of the time I spent in the Soviet Union and of the huge tasks being tackled by the people there. Not the least was the part played by women.

One of the stories I love to recall, partly because its background is in my line of work and also because it is typical of thousands of women in other lines of work, is that of Pasha Angelina, the first woman tractor driver in the Soviet Union, who eventually became a deputy (representative) in the High Soviet and who was the recipient of innumerable honors.

Pasha was the daughter of a former "batrak," i.e., agricultural worker, one of a family of seven children, and had to work for a rich cattleman when she was still a child. In 1925, her father, together with a few neighbors, organized a "comradeship farm" to which he brought his family to live. In 1928, they organized the first collective farm of the town and soon the kulaks began to make trouble. The 16-year-old Pasha, working the night shift on the livestock brigade, attacked and defeated single handed two such would-be saboteurs. In 1929, in the midst of her winter schooling, the first tractor was brought to her Ukrainian town, Staro-Besheva, and this caused her to devote all her thoughts to follow in the footsteps of her brother, Ivan, one of the first group of tractor students.

Finally Accepted

Her perseverance, in spite of the discouragement given her by her family and the tractor course teacher, at last earned her the privilege of taking part in the course along with the boys, and when she became proficient after a year's theory and practice as a helper or "hitch-man", as they called it, she was taken on as a full-fledged driver.

The year 1930 saw her one of the best premiumed drivers of the collective, but, after a year of work, she was appointed head of the fuel base by well-intentioned people. Revolting against this, Pasha went to the political director of the Staro-Beshevskoe Machine and Tractor Station and there found sympathy. She was then made organizer for a short tractor course for 25 women, after which she herself became brigadier of a seven-driver, four Fordson tractor brigade.

When, in the spring of 1931, her brigade drove the tractors to a collective farm to begin work, they were threatened by a crowd of women who refused to let them start plowing. Pasha had to run four miles to bring the political director of the Tractor Station to the scene before they could begin work. After a few days and nights of hard work in turning up the steppe, the people came in a group and asked the pardon of Pasha's brigade. By the end of the year, the brigade's tireless efforts for good yields had earned them almost reverence in the surrounding countryside and, incidentally, the annual red banner given by the Machine and Tractor Station for the highest plan fulfillment—129 percent.

Pasha's girl drivers set an example for the others and by 1934 the demand for them was so great that they were working in seven different collectives. In that year they averaged 789 hectares of ordinary plowing (or the equivalent in other work) per 15 horsepower Kharkov (XTZ) tractor against a plan of 497 each; Pasha's own tractor did 900 hectares. In February of 1935, she was visited by a journalist from *Pravda* who wrote the story of her struggle and informed her that, as the organizer of the first woman tractor brigade, she was wanted immediately in the Kremlin for the second All-Union Congress of collective farm "udarniks."

Meeting With Stalin

In the congress, which lasted several days, she was called on to speak, which she did after some initial confusion during which she could only look at Stalin until someone from the chairman's committee prompted her by calling, "Braver, braver, Pasha!" Later, during a recess, Stalin noticed her and called her aside for a quiet talk about her life and work, asking how the drivers lived in their wagon-shacks, what they needed, what books they read, and if they received newspapers regularly. At this time, she promised him that each of her drivers would do 1,200 hectares per machine in 1935. In saying goodbye, Stalin shook her hand and asked her to give his warm greetings to all "tractorists" and "kolkhoznicks." Thus, a new life was opened to her.

Back at home, Pasha spoke at kolkhoz meetings and gave them Stalin's greetings, and when field work began she worked harder than ever, so that, when the winter closed in on November 12, each tractor had done 1,225 hectares and at the same time had effected great economy in fuel consumption.

In December, Pasha was again invited to the Kremlin, together with her eight fellow workers. When, during her talk, she mentioned the figures of their year's work, Stalin asked how many there were in her brigade, and then further asked if each had done 1,225 hectares per tractor. To her reply, he said the lovely words, "Molodotse, Molodotse!" This time, Pasha promised to give the country a new work figure of 1,600 hectares per tractor in 1936. Before leaving Moscow, with its theaters and museums, Pasha and her eight companions were presented by M. E. Kalenin with orders, Pasha with the Order of Lenin and each of the others with an Order of the Red Banner of Labor. They were all photographed with Stalin.

Back home again in 1936, in answer to Stalin's call to the Congress for "cadre, cadre," Pasha's brigade trained 50 more girls and organized 10 woman tractor brigades in the county, sending her old drivers out as brigadiers in spite of the difficulty it left her in fulfilling her promise to do 1,600 hectares per tractor. The woman driver movement was growing all over the Union, and hundreds of letters and telegrams were sent to her by would-be girl drivers, brigades, collectives, machine tractor stations, Komsomol locals, etc. As a delegate to the Eighth Extraordinary Congress of Soviets, Pasha helped form the Stalin Constitution in 1936.

All-Union Meeting

In March, 1937, the All-Union Meeting of Women Tractor Drivers and Brigadiers took place in Moscow. When the Socialist Competition figures were worked out, it was found that 55 feminine brigades had done 1,000 or more hectares per 15 horsepower machine, while 300 women's brigades had done averages of 790 hectares per machine. The average for the country at that time was 463 hectares. In 1937, some 545 women's brigades were already in existence, struggling for ever larger yields of grain and larger production per machine. Indeed, they outdid the men and left no doubt in the minds of Soviet women that they were free and equal to a man in any endeavor. In 1937, Pasha's brigade averaged 1,715 hectares per tractor, and the increase in yields was even greater than in 1936. Pasha's own sister, Nadia, however, had beaten her with a fulfillment of 1,898 hectares on her machine.

Pasha's first daughter, Cvetlana, proved no more difficult a task than had others, and Pasha still found time after two months to help in her usual winter work of repairing machines. Hundreds of letters now came daily, and most of these had to be answered through the office of the Machine Tractor Station, using circular form letters wherever possible. Pasha

even received a letter of commendation from the defenders of Republican Spain, which she answered in like manner.

On December 12, 1937, in the final elections in the 474th district, Pasha Angelina was elected a deputy to the High Soviet of the USSR. She was asked to make talks everywhere, including the Fourteenth Congress of the Communist Party (b) of the Ukraine, and always her simple honest words of work and love were revered because she had already demonstrated her truth in action.

Returned To Ukraine

In 1938, working on the new caterpillar STZ-NATI, Pasha's brigade did 2,700 hectares and saved 1,500 kilograms of fuel per tractor. When she wrote a challenge to Soviet women asking for 100,000 volunteers to take training as tractor drivers in their spare time, more than 200,000 from all parts of the Union answered her call. Since the time that Pasha had started as the first woman tractor driver, things had changed. Agronomists had put into reality the eight and ten-year "grass field" crop rotation systems, forest wind break strips were being planted everywhere, and orchards of hardy new varieties of fruit trees were already beginning to bear fruit, transforming the steppe into a beautiful garden of Eden. No small part in this work was that of the women tractor drivers.

In 1941, Pasha's entire brigade was evacuated to West Kazakastan, where she continued to fight to win the war by more than doubling the yields. With a 230 percent overfulfillment of plan, the pay of the drivers was enormous, but Pasha's brigade gave many tons of their own pay grain to the fund for the Red Army.

In 1943, the Fascists were driven from Staro-Besheva, and Pasha returned to the Ukraine, where she again started in to rebuild the economy that had been destroyed. By strictly fulfilling the demands of agro-technique, Pasha's brigade was able to obtain good yields even during the exceptionally dry year of 1946, when millions of hectares of crops in the Ukraine and RSFSR were not even harvested because of the drought. The Soviet of Ministers of Ukraine SSR and the Central Committee of the Communist Party (b) gave her the title of Heroine of Socialist Labor for making a yield of 19-20 centners of grain per hectare from 425 hectares during the worst drought since 1894. Far greater, however, than such direct economic benefit to her country was the leadership which this mother of three children created among others throughout the Soviet Union's collective farms, making possible an increase in wealth throughout the entire country.

China, too, no doubt has and will have her own Pasha Angelinas who will also come to the fore in rebuilding the country.

Shanghai's Typhoon:

BEHAVIOR OF CYCLONIC STORMS

Walter Sullivan

LAST week a typhoon whirled in over the China coast, raised up the sea and drove it into the heart of Shanghai. Except that they are the windiest, rainiest most destructive sort of storm, few people know much about typhoons.

Tropical cyclonic storms are a product of special conditions which are all present in only five different parts of the world. One of these is between Guam and the Philippines. Cyclonic storms born here are traditionally called typhoons and whirl west to devastate cities from Manila to Shanghai to Tokyo. The same conditions prevail east of the Caribbean. Storms born there often beat into Florida or rarely as far north as New York. In that part of the world this type of storm is called a hurricane.

Of the five areas in the world where cyclonic storms are born the Guam-Philippines area is by far the most productive.

It cooks up an average of 24 typhoons a year. The Atlantic cyclonic brewing grounds only produce an average of five a year. The two great gulfs on either side of India come second in frequency of such storms. There are two breeding grounds for tropical cyclonic storms below the equator; east of Madagascar and around Samoa.

Like the whirlpools in a draining tub, typhoons are set spinning by the spinning of the earth. All things being equal, water in a Shanghai bathtub will gurgle out the drainpipe in a counter-clockwise vortex. In Sydney, Australia, it spins the other way.

The same is true of typhoons and other cyclonic storms. Also they all move according to the same general pattern. They start out travelling west, then they begin to turn away from the equator in a parabolic curve. That is, China Sea typhoons tend to curve northward while South pacific cyclonic storms turn south. But no one has figured out a way to predict when and how sharply they will turn. If that science is perfected cities will receive many days warning of the maelstrom.

Take "Gloria" who visited us in Shanghai. This typhoon was first spotted east of Luzon July 20. It had already begun to turn north but the question was would the turn be sharp, carrying it west and clear of Okinawa and Japan, or would it be a broad turn crossing the islands and striking the China coast. No one knew until the storm was almost upon them.

The soggy air over tropical seas seems to be the fuel for such storms. They are born in the doldrum belt, between the northern trade winds and southern trade winds, where the air is soggiest. It is believed that the lack of water-soaked air over land is what breaks up a cyclonic storm when it gets over a continent, rather than the braking effect of the land on the wind itself. If the storm stays over water it usually curves completely around until it is almost going east, whereas it started out going west. By then, however, it has gotten so far north—or south—that it dies, possibly for lack of soggy tropical sea air.

In the Pacific and Indian Oceans the doldrum belt—birthplace of cyclonic storms—migrates back and forth across the equator with the seasonal movement of the sun. When it generates a storm south of the equator the vortex goes spinning clockwise towards the south. When the doldrums are north of the equator their stormy offspring spin the other way and work northward. Because the doldrums never get below the equator in the Atlantic there are no typhoons or hurricanes in the South Atlantic Ocean.

Cyclonic storms are the superlative storms of the world. Shanghai with its 63 mile-per-hour wind, only got a taste of a fullscale typhoon. Whereas the barometer sinks in normal storms, in typhoons it plunges, and as the storm nears the sea rises.

There is some disagreement as to why the sea rises, as it did during the storm flooding downtown Shanghai. Some believe that the barometer drops so low that the sea rises from the lightened burden of air on top of it. Others argue that the water is piled up in front of the advancing storm by the winds.

The strongest winds in a northern hemisphere typhoon are on the right side of the vortex. The reason is that here they blow in the same direction as that in which the storm is moving, so that their speed is added to the overall progression of the storm.

These winds howl at perhaps 100 miles an hour for days on end, whereas the storm itself only creeps along at five to twenty miles an hour. Thus the winds are thought by some to push the water out in front of the storm, especially on the right side. Along the Gulf of Mexico, where many hurricanes blow in, it has been found that the highest swelling of the ocean is ahead and slightly to the right of the storm's line of advance.

Shanghai is north and west of the more frequent paths of typhoons. Taiwan is struck far more often than Shanghai, though not as often as Luzon or Okinawa. Taiwan is also further south, in latitudes where typhoons are younger and more potent.

Cotton For The Textile Industry

THE biggest problem facing the cotton textile industry in Shanghai and vicinity is the supply of raw cotton. According to the Cotton Textile Manufacturers' Guild of the Kiangsu-Chekiang-Anhwei-Nanking-Shanghai areas, there are 3,085,000 spindles in this region. Of these, 893,000 spindles belong to the China Textile Industries, 1,392,000 are those of privately-run textile mills in Shanghai, and 800,000 are owned by privately-run textile mills in the outports.

The estimated monthly consumption of raw cotton is 650,000 piculs (71,000,000 pounds), of which 450,000 piculs is consumed by mills in Shanghai and 200,000 piculs by mills in the outports.

Early in June, it was reported that there was a total of 717,000 piculs of raw cotton in Shanghai, but the cotton stocks at the various textile mills were not uniform. Some had sufficient stocks for 30 to 40 days, while others had enough for only a few days.

Rationing Measures

To give immediate relief to these mills, the Light Industry Department of the Shanghai Military Control Commission set up procedures for the rationing of 20,000 piculs of raw cotton to private textile mills in Shanghai and 10,000 piculs to those in Wusih. By July 9, 20 Shanghai cotton mills had signed contracts with the government-run Shanghai Trading Company for the purchase of raw cotton in exchange for cotton yarn. The amount of raw cotton for each mill was to be sufficient for one month's operation working three day shifts and three night shifts per week less the stock at the mill. The exchange ratio was 500 catties of raw cotton for one piece of grade A 20's cotton yarn.

At the same time it was recognized that China's supply of domestic raw cotton is insufficient for her needs and must be replenished by purchase from abroad or by exchanging cotton products for raw cotton from foreign countries. As a representative of the People's government warned textile circles soon after the liberation of Shanghai, two years are needed to swing back to cotton production on the cotton farms in Shensi, North Kiangsu and other districts that were converted into rice paddies during the war against Japan.

To encourage raw cotton imports from abroad, therefore, the government decided to waive import duties on raw cotton. Under the Kuomintang, a 10 percent import duty had been levied on raw cotton and it had constituted one of the main sources of customs revenue for the National government.

A Cotton Cloth Export Sales Company has been organized by the East China Foreign Trade Company to export textile goods in exchange for raw cotton from abroad. Although detailed regulations governing the export of textile goods in exchange for raw cotton have not yet been announced, it is reported that permits already have been issued for the import of foreign cotton.

The Sung Sing No. 9 Cotton Mill received a special permit from the Trade Bureau for the import of some 400,000 pounds of Indian cotton. Other permits have been issued to the Ching Foong Cotton Mills for the import of 70,000 pounds of Indian cotton, the Chung Sing Textile Mill for 78,000 pounds of Indian cotton, and the Hwa Yang Textile Mill for 78,000 pounds of Indian cotton.

Thus, although the Nationalist blockade of ports in liberated China has stopped foreign shipments of raw cotton into Shanghai for the present, the ground work is being laid for cotton imports as soon as conditions permit. In the meantime, attention is being concentrated on transporting native cotton from the various producing districts to Shanghai.

Collection Of Cotton

By July, with the restoration of communications, sizeable cotton shipments were arriving in Shanghai or were en route from the cotton regions. More than 400,000 catties sent by the Central China Trading Company arrived in Shanghai July 19 from Hankow. On July 21, 1,150,000 catties of Honan cotton arrived from Chengchow. This was the first shipment of 5,000,000 catties destined for Shanghai that has been collected by the Taichong Cotton Company under the direction of the Honan Trading Company.

Representatives, both of the government and private textile mills, have been sent to cotton producing areas to expedite further shipments. Three representatives of the Light Industry Department of the Shanghai Military Control Commission have gone to Sian, where large quantities of cotton are reported stored, to purchase supplies for the Shanghai mills. Other representatives of various private mills have been sent to Chengchow and Loyang to collect raw cotton there.

A recent survey of raw cotton stocks carried by the *Sin Wen Jih Pao* shows that the following quantities are reported to be available to the local textile industry before the next cotton crop is harvested:

1) *Central China.* With Chengchow and Loyang as centers, the district has more than 300,0000 piculs of Shensi Lingpao cotton in stock and many cotton dealers have sent representatives to the district for the purchase of cotton.

2) *Hankow.* Hankow has more than 300,000 piculs of raw cotton in stock, and many Shanghai textile mills have established cotton collection centers in the city.

3) *Ichang.* The liberation of Ichang and Shasi brought a windfall of 200,000 piculs of raw cotton that had been accumulated there by the KMT. Several textile mills in Shanghai have sent inquiries by cable and will send representatives to collect cotton.

4) *North Kiangsu.* The district has an estimated stock of 50,000 piculs of raw cotton, and motor junks may be used to transport the cotton to Shanghai.

5) *South Kiangsu.* Some 50,000 piculs of cotton are reported stored in the district, spreading over Taichang, Pootung, Minghong, and Nanziang. The cotton is only good for the manufacture of coarse yarn of 10 and 16 counts.

Higher Yields Sought

While the exploitation of existing supplies of native cotton is thus being carried on for the immediate needs of the textile industry in Shanghai and vicinity, efforts are being made to expand China's output of raw cotton for the future.

In Sanyu, one of China's richest cotton areas, across the Yangtze River north of Shanghai, 42,000 more acres reportedly are being planted to cotton for an increased yield of some 500,000 pounds. The government is helping farmers with loans and improved seed.

Elsewhere in Kiangsu province, cotton cultivation is also being expanded. The *Giefang Rhbao* (Liberation Daily) reported that cotton farms in the Nantung, Taichow and Yencheng areas now cover more than 1,600,000 mow, an increase of one-fourth over last year. Cotton loans amounting to JMP-2,120,000 have been extended and experiments are underway for the improvement of cotton seeds, soil conditions and use of fertilizers. In Taipeh, a new hsien north of Tungtai, cotton farms are being extended over an additional 250,000 mow for an added output of 37,500 piculs of raw cotton. Last March, a loan of 30,000,000 Pei Hai dollars was extended for this purpose, and since then an additional loan equivalent to 30 piculs of cotton has been made, plus 70,000 catties of cereal and a set of agricultural equipment.

In North China, even greater cotton promotion campaigns are underway, and more than 12,000,000 mow of land has been devoted to the planting of cotton, according to the *New China News Agency.*

Farmers in South Hopei by the early part of June had planted 4,700,000 mow of cotton fields, representing an increase of 1,000,000 mow over the previous year. Total production of cotton in the area

for the current year is expected to be 300,000,000 catties. In Central Hopei, more than 3,290,000 mow was planted to cotton this spring, exceeding the original plan by some 290,000 mow.

In undertaking this cotton production drive, the authorities have not only encouraged the switch to cotton by means of loans, improved seed, agricultural implements, etc., but they have also had to assure the farmers that there would be a market for cotton and that no shortage of foodstuffs would result from additional cotton acreage. During the war against Japan, as the farmers remember only too well, there was no market for cotton because of the disruption of transportation and it was necessary to plant foodstuffs instead.

Now, the importance of linking China's agriculture to the program of industrialization must be explained to the farmers.

Organized Effort

To do this job, thousands of recruits have been organized. Describing their work, the *New China News Agency* reported:

"These organized people were sent into the plantation areas and, with the cooperation of the local directing groups and the Communists, mobilized the farmers, educated them and propagated government orders for planting cotton, as well as helped them solve difficulties in obtaining farm implements.

"They also broke down the farmers' century-old passive attitude of depending on the caprices and whimsies of nature for rainfall and other farming requirements, and helped remove their customary fear that the planting of cotton would involve large expense and might result in a shortage of food.

"According to statistical returns," the article continued, "the farmers in South Hopei, Central Hopei, East Hopei and Chahar have repaired and built a total of more than 16,000 wheel pumps and drilled 125,600 wells.

"The farmers in Central Hopei, the border regions of Hopei, Shantung and Honan, Taihing and Taiyo areas were organized to excavate rivers and creeks and, as a result, more than 600,000 mow of land was irrigated and became cultivatable.

"A general mobilization of men, women and children was successfully carried out to relieve the problem of labor shortage encountered in the combatting of drought and in conducting the farm work. In the highlands of East Hopei, more than 18,000 women who hitherto had not been doing farm work took part in the planting of cotton . . ."

Efforts likewise are being made to increase cotton production in the suburbs of Shanghai. By the end of May, 270 piculs of improved cotton seed were distributed to farmers in this region, including Woosung, Yanghong, Paoshan, Yuehpu, Kiangwan, Lotien, Tachang and elsewhere. More recently, 500 tons of chemical fertilizers have been distributed to farmers in these districts.

The Week's Business

AS the result of the curbing of speculative activities and additional arrivals of supplies in Shanghai, the local market during the week under review ruled relatively quiet.

The stabilizing factor for commodity prices was the dumping of large quantities of rice by the Shanghai Food Company which achieved the result of regulating the demand and supply in the market.

From a peak of JMP65,000 per picul on July 16, rice came down to JMP50,000 per picul by July 23. Cereal prices also remained on the weak side, while the quotations in the cotton yarn and piece goods markets moved up to some extent during the week because of decrease in the supply by the Shanghai Trading Company.

A survey disclosed that commodity prices during the week ending July 23 increased by 22.8 percent against 24.7 percent during the previous week, indicating a further slackening of pace in the upward trend of commodity prices.

A review of the price situation during the four weeks from June 27 to July 23 will clearly show this tendency. The prices of essential commodities increased by 47.8 percent in the first week, 16.7 percent in the second week, 24.7 percent in the third week, and 22.8 percent in the fourth week. For export items, the prices firmed by 22.1 percent in the first week, 13.2 percent in the second week, 14.5 percent in third week, and seven percent in the fourth week. Retail prices of daily necessities went up by 39.8 percent in the first week, 14.8 percent in the second week, 18.2 percent in the third week, and 23.5 percent in the fourth week. A comparison of the price situation between the first and fourth weeks of the past month thus reveals that the rate of increase in commodity prices has been reduced by half.

During the week ending July 30, the prices of essential commodities rose by 2.1 percent as against 22.8 percent during the previous week; the prices of export items decreased by seven percent as against an increase of 4.1 percent during the previous week; and the prices of daily necessities climbed by 13.1 percent as against 23.5 percent the previous week.

In the financial market, the steady money situation during the past week was in direct contrast to the abnormal phenomenon of the past when the money market was usually tight at the end of every month.

Particularly worth our attention is the smooth interflow of supplies between the urban and rural areas. During the past week, such provinces as Chekiang, Anhwei, Kiangsi Hupeh and the Northeast all sent supplies to Shanghai. Some 30,000 tons of foodstuffs are en route to Shanghai from the Northeast, and are expected to reach here in August. The Chekiang Native Products Company shipped a batch of rape seeds to the China Vegetable Oil Corporation here in exchange for soap and rape seed cakes. Around 2,000 tons of rice, soyabeans, bean oil, sesamum oil and other items are being sent here from Anhwei. Some 5,000 tons of supplies, including rice, wheat, hemp, tobacco, cow hide and so forth are also on way to this city. It is expected that 100,000 piculs of rice will reach here from Kiangsi and Hupeh during the month of August. This steady interflow of supplies will help stabilize commodity prices in Shanghai and link the economy of the urban and rural areas, thus partially offsetting the effects of the blockade.

In this connection, branch offices of the trading companies of various districts have been established here to facilitate trade. These branch offices include:

1) North China Trading Company
2) Shansi Trading Company
3) South Kiangsu Chien Chung Trading Company
4) North Kiangsu Trading Co.
5) Northeast Kiangsi Trading Co.
6) Shantung Trading Company
7) Central China Trading Co.
8) North Anhwei Trading Co.
9) South Anhwei Trading Co.
10) Commercial Department of the Northeast Administrative Commission

Four local textile mills have recently been issued special import permits by the East China Foreign Trade Control Bureau to import Indian raw cotton. The permits allow for the import of 400,000 lbs. by the Sung Sing Mill, 70,000 lbs. by the Ching Foong Mill, 78,000 lbs. by the Chung Sing Mill and 78,000 lbs. by the Hwa Yang Mill.

Another important event of the week was the upward revision in public utility rates, with increases ranging from two to five times, effective from July 25. This revision will help the public utilities operate on a self-sustaining basis. Special reduced rates are given to government employees, teachers, students, union members and workers.

Following is a listing of representative commodity prices for the past week:

	July 27 JMP	Aug. 3 JMP
Silver Dollar	1,600	1,600
20's Yarn	565,000	535,000
12-lb. Cloth	27,250	27,800
Rice	52,000	56,500
Peanut Oil	73,000	69,000
Coal Briquette	7,000	7,000

NEWS OF THE WEEK

PLA Drives On Hunan Province; Atlantic Pact Ratified By US

THE large-scale offensive which the People's Liberation Army resumed in Shensi and Hupeh and Kiangsi two weeks ago has made remarkable progress. In Central China, the primary target of the current drive of the People's Liberation Army is Hunan province. The reason is easy to understand if one takes into consideration the strategic position of the province. Hunan is the gateway to South and Southwest China, which is still under the control of the Kuomintang. Capture of the province by the People's Liberation Army would render the Kuomintang's position in Kwangtung, Kwangsi, Kweichow and Szechuen untenable, because a network of railways and highways link up these provinces with Hunan. It is precisely for this reason that General Pai Chung-hsi, Nationalist commander-in-chief for Central China, has concentrated 200,000 troops along the Changsha-Hengyang line since his withdrawal from the Wuhan area.

Two columns of the People's Liberation Army striking from Kiangsi are heading for Hunan along both sides of the Hunan-Kiangsi Railway, with Changsha and Chuchow as their chief objective. Chuchow is located midway between Changsha and Hengyang. The fall of Changsha is expected momentarily.

A third column of the People's Liberation Army has entered west Hunan, after breaking through the river defense of the Kuomintang along the Ichang-Yoyang section of the Yangtze River. Lihsien, Changteh (the third biggest city in Hunan) and Taoyuan in west Hunan have been captured by the People's Liberation Army.

General Lin Piao's Fourth Field Army, driving toward Hunan along the Wuchang-Changsha section of the Canton-Hankow Railway, has already captured Yoyang, strategically-located center in north Hunan.

The People's Liberation Army is now pouring into Hunan from Hupeh and Kiangsi. It remains to be seen whether Pai Chung-hsi will put up a stiff fight around Hengyang or retreat with only token resistance to his home province of Kwangsi in order to keep his troops intact. In either case, Pai is doomed. The only difference will be one of time. If Pai should prefer a stand-up battle in defense of Hengyang he would be routed and lose his last card and capital—his troops. On the other hand, if he should think it better strategy to play safe by retreating with his troops to Kwangsi, as most military observers believe he will, the fall of Hunan would leave the doors wide open for the People's Liberation Army to march on Canton and Chungking with the greatest of ease. In that case, Kwangsi would be isolated and bottled up completely. As a matter of fact, capture of Hengyang by the People's Liberation Army would threaten the very gates of Kweilin, capital of Kwangsi province, because the Hunan-Kwangsi railway runs from Hengyang through Kweilin to Liuchow.

Any way one looks at it, the military picture is pretty gloomy for Pai Chung-hsi and the remnants of the Kuomintang.

* * *

Foreign Relations

A ONE-YEAR trade agreement has been concluded between the People's Government of Northeast China and the Soviet Union Government, providing for the barter of Chinese soya beans, vegetable oil, maize and rice for Soviet industrial equipment, oil, motor vehicles, piece goods, paper and medical supplies. The agreement was enthusiastically hailed by the Chinese press as a practical implementation of Mao Tze-tung's policy of encouraging free flow of commodities between People's China and foreign countries. It also is viewed as a timely answer to the Kuomintang blockade against Liberated China.

The British sloop Amethyst escaped July 30 from the Yangtze River, where it had been kept under surveillance since last April. In effecting its escape, according to official Chinese reports, the Amethyst sunk a Chinese steamer, resulting in the drowning of several hundred Chinese passengers. This has aroused widespread public indignation.

General Yuan Chung-hsien, commander of the People's Liberation Army at Chinkiang, in a public statement, stressed that the incident will not be regarded as closed until the British government has punished those responsible, apologized and paid indemnity.

It will be recalled that the Amethyst sailed up the Yangtze bound for Nanking on the eve of the Communist crossing of the River, was fired on by the PLA and returned fire. It had been held there pending a satisfactory settlement of this incident.

* * *

Atlantic Pact

THE United States Senate ratified the Atlantic Pact July 21 by a vote of 82 to 13. The ratification was widely hailed in government

EVENTS IN BRIEF

Shanghai's Buddhist temples are beginning to engage in productive work in an effort to offset their business depression caused by a great drop in attendance. Monks at the Bubbling Well Temple, one of the largest and best known in the city, have begun to manufacture hosiery. Monks at other temples are reported to be engaging in farming and other types of work, while some have joined the Military-Political University.

* * *

The Shanghai Postal Administration has ruled that all domestic letters must bear Chinese-language addresses on the envelopes. If the letters are addressed to foreigners, a foreign language may be used but a Chinese translation must also be written. For mail abroad, foreign languages may be used, but the name of the country and the city must be supplied in Chinese as well.

* * *

The South Korean Police Chief, Lee Ho, reported last week that the police are engaged in a continuous fight with Communist guerrillas whose total strength is estimated to be about 700 men. These guerrillas, he said, have been killing an average of more than 10 policemen daily. The police, he said, are killing Communists, too.

* * *

Hongkong's customs authorities spent a busy week confiscating illegal shipments to and from China. A large supply of arms being smuggled through the colony by the Kuomintang Central Bank were confiscated and the bank's representative cautioned. The arms were on their way to Canton when discovered. Meanwhile, the biggest narcotics haul in the colony's history was made at Kaitak Airfield when customs authorities discovered HK$500,000 worth of opium and heroin in the luggage of a passenger arriving from Nationalist-held Kunming.

* * *

Reports of a "revolution" in Tibet have reached Canton and New Delhi. While details are lacking, it is rumored that the move is directed primarily against China which claims jurisdiction over the country. One report, which claimed that the Chinese Nationalist Government representatives in Lhasa had been driven from the city, linked the trouble with the Nationalist regime's plan to send the Panchan Lama, who has been living in China for many years, to Tibet.

* * *

American Negro singer Paul Robeson has announced that he will not proceed to Manila to attend a labor convention which he had been invited to address. Earlier press reports from Manila stated that the chief of the Philippine Constabulary intelligence service had requested the Philippine Foreign Office to deny Robeson a visa because of the latter's "support of communism." His visit, said the intelligence chief, would be "obnoxious and a threat to national security."

What Chinese Papers Say...

THE increasing indications of conflict between Britain and America and the strengthening of Sino-Soviet relations were two topics of timely interest commented upon in the Chinese press last week.

* * *

Deepening Of Conflict

THE *Sin Wen Jih Pao* noted an intensification of the conflict in the capitalist camp, particularly between the United States and Great Britain, as the result of the continued deterioration in the world economic situation. It said:

"The conflicts within, and the dangers threatening the capitalist world have lately become more marked and grown more acute. This situation is reflected in the aggravation of the economic depression in the United States, in the definite failure of the Marshall Plan, in the deterioration of the economic situation in West Europe, especially in Britain, and in the coming into the open of the conflict of interests between the United States and Britain. The visit of US Secretary of the Treasury Snyder to Britain is being made with the purpose to discuss the dollar crisis. The recent conference of finance ministers of the nations of the British Commonwealth was also convened for emergency discussions on the deteriorating British economic situation.

"Britain is one of the most important of the Marshall Plan aided countries. The British crisis comes from the United States. The Marshall Plan is basically an instrument of American imperialism for the enslavement of Europe in order to deliver herself from her own crisis. However, though the Marshall Plan has been implemented for one year now, the crisis in the United States has not only failed to be allayed to the slightest degree, but has grown more acute instead. The British rulers, who persistently follow the footsteps of the United States, are now finally made to taste of the bitter fruit of their own making."

Analyzing the significance of Treasury Secretary Snyder's recent visit to London, the paper pointed out:

"Snyder's visit to Britain, frankly speaking, is being undertaken in an attempt to tighten United States pressure on the Marshall Plan aided nations, particularly Britain, in order to allay the economic crisis facing the United States herself, and to pass the danger on to such countries as Britain and France.

"The Anglo-American conflict of interests has reached an acute stage in the current serious situation. Accordingly, even the British government, which has all along unreservedly taken orders from the United States government, appears to be pulling itself up for an attempt to resist the pressure applied on it by its overlord. An example is furnished in Britain's conclusion, in spite of United States pressure, of a trade agreement with Argentina. The recent conference of British Commonwealth finance ministers was no doubt called for the purpose of seeking ways and means to resist the dollar offensive. Nevertheless, the inevitable conflicts between American and British imperialism are incapable of being resolved. With the aggravation of the crisis within the capitalist world, the conflict between the United States and Britain must continue to grow all the more acute."

* * *

Sino-Soviet Relations

COMMENTING on the proposed formation of a Sino-Soviet Friendship Association in Peiping, the *Ta Kung Pao* took the occasion to stress the importance of further strengthening the relations between China and the Soviet Union.

After pointing out the contrast between the Soviet Union and the countries of the capitalist world, the paper concluded:

"Only the October Revolution correctly indicates to the Chinese people's revolution the proper course to be followed and the way to get there. After the successful completion of the October Revolution, the Soviet Union was the first to abrogate her unequal treaties with China and to stand consistently on the side of the Chinese people's liberation movement. Thus, the Soviet Union gave us valuable assistance during the Chinese Revolution of 1925-27, she stood by us in the League of Nations after the Mukden Incident of 1931, and she was the first to come to our aid after the outbreak of the Sino-Japanese War of 1937.

"Both in the course of the Anti-Fascist War and after its successful culmination, the Soviet Union resolutely stood at the foremost line of the people's liberation movement in the world. It is because we have always enjoyed the powerful support of the Soviet-led peoples of the world that victory has twice been achieved by us.

"Naturally we shall stand together with the Soviet Union and shall establish universal bonds of friendship with her people, because we both belong to the progressive forces of human history and because we have the joint duty of opposing imperialism and writing a new page in the annals of human history.

"China and the Soviet Union are two of the largest countries in the world. Our combined populations constitute almost one third of the total population of the world. Thus a close union between these two mighty countries will be the best possible guarantee for the successful establishment of peace and for the victory of the people's liberation movement in the world."

circles in Washington, London and Paris. In a statement of gratification issued on the heels of the ratification, Secretary of State Dean Acheson pointed out that "the decisive nature of the Senate vote makes clear to the world the determination of the American people to do their full part in maintaining peace and freedom."

It will be recalled that the Atlantic Pact has been signed by the United States and Canada, by five members of the Western European Union (Britain, France, Belgium, the Netherlands and Luxembourg), by two Scandinavian countries (Norway and Denmark), by one southern European country (Italy) and by two countries with key positions in the Atlantic (Iceland and Portugal).

The self-avowed aim of the 12-nation pact is to create a concentration of power so strong that any potential aggressor nation would be discouraged from attacking. The pact is apparently aimed at the Soviet Union.

Of the 12 signatories to the Pact, eight have already ratified, including the United States, Canada, Britain, Belgium, Luxembourg, Norway, Denmark, and Iceland. The Italian Chamber of Deputies has approved it but the Senate must also concur. France is expected to act shortly. The Netherlands will act later.

The most important provisions of the Pact are contained in Article 5, America shall be considered an attack against one or more of them (the signatories) in Europe or North which stipulates that "an armed attack against them all, and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self defense," will assist those attacked "by taking forthwith, individually and in concert with the other parties, such actions as it deems necessary, including the use of armed force, to restore and maintain the security..."

The Soviet Union charges that the United States is using the Atlantic Pact as a pretext for expansionist purposes and for interfering in the internal affairs of the countries which are signatories to the Pact. Authoritative quarters in Washington pointed out that with the signing of the Pact, the frontiers of the United States are now in the heart of Europe. In this connection, *AP* reported July 21 from Washington:

"The Senate vote approving the Atlantic Pact empowered President Truman to establish America's defensive frontier against Russia in the heart of Europe. That is exactly what he now proposes to do as quickly as possible—not only to keep the Soviets at arm's length but also to spread the cloak of American power over the borders of weaker states. The United States is thus embarked on a revolutionary new course in its foreign policy. It is pledged, or in a legal sense shortly will be, to act in case any one of the 10 European area nations, or Canada, is attacked. It is committed to a pro-

gram of mutual aid and expects to share a single grand strategic plan for the defense of the whole western world."

* * *

Arms Program

FOR the Atlantic powers, the immediate concern is how much military aid they are going to get from the United States. The Truman Administration will ask Congress for US$1,130,000,000 to supply arms to Atlantic allies in Europe, plus US$320,000,000 for Greece, Turkey and other "free nations" in the cold war.

The arms program, administrative leaders are expected to tell Congress, should have two purposes: to boost Western European morale and actually to strengthen the defenses of the allies of the United States in Europe. They will contend, according to *Reuter*, that a real strategic objective can be attained by supplying arms to Europe. That will be to enable the Western Europeans to defend themselves against any attack until the full resources of the Atlantic world can be brought to bear against the aggressor.

The arms program has aroused much bitterness and opposition even among American leaders. Senator Robert A. Taft took the line that the Atlantic Pact, accompanied by the proposed arms program, would make for war. He said:

"With these arms the whole tendency of this program is toward a third world war instead of away from it. Without the reservation (to divorce it from arms aid to Europe), it will be a war program, not a peace program. The United States was undertaking to arm half the world against the other half, thereby starting a ruinous arms race which could only end in a war."

According to latest reports from Washington, there is likely to be greater opposition to the arms program than to the ratification of the Atlantic Pact because of the current economy drive in Congress and the general feeling that a United States threatened with declining economic conditions should cut down on its overseas expenditure.

* * *

Italian Participation

THE government of the Soviet Union protested to the Italian government against the latter's participation in the Atlantic Pact on the ground that such participation violates the Italian peace treaty. The Soviet protest was rejected by the Italian government. Italian Foreign Minister Count Carlo Sforza stated that he was "astonished" to receive from the Soviet Union, at a time when the Italian Parliament was peacefully concluding its debate on ratification of the Atlantic Pact, an almost exact duplicate of the protest note sent by the Soviet Union three months ago to all the 12 signatories of the pact." He further declared "I am at a loss to understand why the note should have been sent to us, and not to other countries such as France and Great Britain whose

In Chinese Magazines . . . .

Outlook Weekly

HOW to solve the difficult problems now confronting Shanghai's business and industry is briefly discussed in the *Outlook Weekly* of July 16, 1949. The magazine divides the difficulties into two kinds. One is the inevitable process of revolution and the other is a temporary phenomenon. It says:

"Businessmen and industrialists in Shanghai are complaining of difficulties. It is of course true that we do have difficulties. However, we must look more closely into the matter. Some of these difficulties we are experiencing are the inevitable results of the process of the revolution while others are of a temporary character which can be overcome one way or another.

"The gradual disappearance of extravagant restaurants and ball rooms and the passing of speculative business are the inevitable results of the process of the revolution. The reason is obvious. Loose and extravagant living and speculation represent a kind of abnormal boom based on corrupt politics and imperialism. They are like cancers in a human body and must be operated upon if the body is to enjoy perfect health.

"To the latter category of temporary difficulties belong wage disputes, shortage of raw materials, lack of funds and shrinkage of markets. These difficulties are the after-effects of revolutionary wars and have been caused by the disruption of communications and by unsettled public sentiment. They can be overcome and it will not take much time to do so. It must also be understood that some of these difficulties now facing business and industry are evils left over by the reactionary Kuomintang regime.

"Take the much-talked-about blockade, for example. The blockade cut off the sea communication between the various ports on the China coast and the outside world and thus prevents us from carrying on import or export trade. Isn't this move directed by the reactionary government and imperialists against us businessmen and industrialists? Our difficulties have become bigger and we must stand up to them with determination and courage.

"The first thing for us to remember is self-rejuvenation. We must gird our loins and never knuckle under to the imperialists. Instead of depending on others, we must help ourselves. With our territory and our productivity, we could be self-supporting. During the war of resistance, the blockade enforced by the Japanese had the opposite effect of promoting Chinese industry and business in the interior. As the result of long years of blockade, the Chinese Communists in the barren areas in the northwest became stronger then ever before..."

As concrete measures for self-rejuvenation, the magazine lists the following:

"First, it is necessary to practise economy in order to transform Shanghai from a consuming city into a producing city. We must save foodstuffs, fuel and refrain from excessive consumption.

"Second, evacuation of unnecessary personnel is of great importance. Of the 6,000,000 population in Shanghai, there are fewer than 500,000 machinery-manufacturing factory workers. If the dependents of the factory workers, employees of business firms, handicraftsmen, communication workers, cultural workers and students are included, the number of people who are directly or indirectly connected with production in Shanghai is only 3,000,000 at most. The rest are either parasites or consumers. This is the reason why consumption exceeds production in Shanghai. Now that conditions in the interior have been stabilized, it is time that the jobless people and the surplus personnel were evacuated into the interior.

"Third, stabilization of conditions in the rural districts and expansion of agricultural production should be emphasized. At present many people in the city are afraid of moving to the rural districts simply because excessive taxation and rampant banditry are a nightmare to them. Therefore, stabilization in the rural districts will offer a strong inducement and attraction for people to settle down in the countryside instead of staying in the city as parasites.

"Fourth, free exchange of commodities between city and village should be encouraged. In this connection, restrictions imposed by the local authorities, unreasonable price ceilings and monopoly by state-operated corporations should be banned. In addition, cooperatives should be formed on a large scale in order to wipe out exploitation by the middleman and serve as a bridge between producer and consumer."

In conclusion, the magazine points out that the blockade, which it charges is enforced by the imperialists and the reactionary Kuomintang against liberated China, would turn out a blessing in disguise if Chinese businessmen and industrialists seize the present opportunity to redouble all efforts for self-rejuvenation.

relations with Russia are far more delicate."

The rejection was supported by the United States. Secretary of State Acheson said that Soviet accusations that Italian ratification of the Atlantic Pact constituted a violation of the terms of the Italian peace treaty were "utterly without foundation."

* * *

Pacific Union

THERE has been more talk during the past week about the formation of a Pacific Union to fight Communism. President Quirino of the Philippines will endow Brigadier General Carlos Romulo, Philippine delegate to the United Nations Far Eastern Commission, with special rank and powers to sell the idea of a Pacific Union. General Romulo has been in conference with the President and other leading officials of the Philippine Government since his arrival from Lake Success.

Throwing support of the United States government behind the movement for a Pacific Union, Secretary of State Dean Acheson July 20 praised the efforts of the Far Eastern countries to work toward a Pacific defense union. He said at his weekly press conference that the State Department should not be interpreted as objecting to nations in the Pacific area making arrangements for peace. In his opinion, such developments would be "all to the good."

For fear that a previous statement by him would create "misunderstanding," Acheson particularly stated that the said statement did not mean that the State Department objected to other nations in the Pacific area making arrangements for peace. It will be recalled that on May 18 Acheson stated the United States agreed with India that a pact for the Pacific similar to the Atlantic Union would be premature.

Meanwhile, it is reported in the press that Philippine President Quirino has received an invitation from the United States to visit Washington. Political observers believe since Quirino is the principal sponsor of a Pacific Union his forthcoming visit to the United States is very significant.

* * *

General Election?

TAKING advantage of the disastrous loss of prestige on the part of the Labor government, the Conservative Party under the leadership of Winston Churchill is clamoring for the early holding of a general election. According to *Reuter*, Prime Minister Attlee and Churchill on July 23 fired the opening broadsides in Party campaigns for a general election, which Churchill hinted might not be far off. Churchill declared that Britain might be "on the eve" of one of her most vital general elections.

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The Review's English Lesson—XCI

OUR text is from a book by Barrows Dunham, "Man Against Myth," which analyzes the way in which the inequalities and injustices of western society are maintained by the use of "scientific" falsehoods. On page 19, the author says:

> There are three main characteristics of modern society which it is the purpose of myths to conceal or excuse:
>
> First, there is the deliberate denial of abundance. Except in wartime, we do not produce the enormous quantity of goods which our technology makes possible, and we do not develop our technology as rapidly as we might. In other words, we produce abundantly only when the purpose is destructive. When the purpose is constructive, our economy creaks and clatters to a halt.
>
> Second, there is gross inequality in the distribution of what we do produce. The tremendous concentration of wealth at one end of the social scale is matched (perhaps overmatched) by a concentration of poverty at the other end. A dazzling prosperity in the urban rich hardly conceals the infamous and degrading lot imposed upon colonial peoples abroad and upon special victims (like the American Negro) at home. No man can look upon this scene with clear eyes and then suppose that justice is being done.
>
> Third, there is the fact that, despite our democratic political institutions, we, the citizens of the United States, do not control our national economy. That economy is administered by a rather small group of men, and the mode of administration is fixed by the nature of the economy itself. That is to say, goods are produced, and can be produced, only if the production of them is a source of profit. It is more usual for our political institutions to obey the commands of our economy than for our economy to obey the commands of our political institutions.

Myth: The strict definition as given in the dictionary is that a myth is a story of forgotten origin, which pretends to be historical and to explain some practice, belief, institution or natural phenomenon....especially associated with religious rites and beliefs. The author of "Man Against Myth" uses the term in a somewhat wider sense, to include for example more recent articles of faith sometimes alleged to have a scientific basis. Later on in the book, the author describes how the myth of innate racial differences, deliberately propagated to aid in the exploitation of "inferior racial groups", is based upon utterly false "scientific" premises.

Technology: Strictly, industrial science; used generally to denote the whole complex of science as applied in the productive capacity of society.

Gross: Flagrant, shameful. The author later shows how, for example, the myth that the poor are "naturally" unfit to compete is used to explain and excuse their poverty. They are poor, in other words, because they deserve to be.

Perhaps overmatched: It may be that the concentration of poverty at the other end of the social scale overbalances the concentration of wealth at the top. The author is cautious, but after all, he wrote the book in the society whose fundamental social and economic inequalities he was describing!

Urban rich: The wealthy, usually concentrated in large cities; the bankers and industrialists.

Infamous: Scandalous, nefarious, detestable, odious.

Degrading: Lowering the physical, moral or intellectual character of; corrupting.

Clear eyes: With honest intelligence.

Mode: Method.

The nature of the economy itself: "Itself" is a reflexive or emphatic form of "it"; here, the sense is that the form of administration (of production, technology, distribution) is determined by the profit-making nature of the economy.

The production of them: This construction often seems awkward and can sometimes be avoided. One does not say, for example, "the shoes of me", but, more simply and directly, "my shoes." So here, "their production" might be better.

The above passage further illustrates some of the "little things" we were discussing last week—the use of "the" and "a", for example. In the first sentence of the text above, "the" is omitted before "three main....," since these had not been previously mentioned.

In the second sentence, we have "**the** deliberate denial of abundance." Here, the denial exists merely; the sentence does not specify who does the denying; the definite article may be uesd to indicate that the denial is a concrete and specific action. One could also say, "**a** deliberate ...." or "deliberate....", both of which make the sentence more general, less particularized and forceful. In "the enormous quantity of goods", the definite article is used because this quantity is defined as that "which our technology makes possible"; it is a concrete quantity, not one of many possible quantities or quantity in general. Similarly, later on in the paragraph, "the purpose is destructive", because a definite purpose is indicated. At the end of the pargraph, we have "clatters to a halt." Why "**a** halt"? Because it is not "halt" in general, nor is the exact time and place of the halt defined. Similarly, we say, "the tram came to a stop."

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